



**India Finsec Limited**  
(L65923DL1994PLC060827)

**Date: 07.07.2025**

**To**  
**The Manager-Listing Department**  
**BSE Limited**  
**Phiroze Jeejeebhoy Towers,**  
**Dalal Street, Mumbai – 400001.**

**Scrip Code: 535667; Scrip Id: IFINSEC**

**Sub: Submission of 31st Annual Report for F.Y. 2024-25 of the Company, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2024-25 along with notice of the 31st Annual General Meeting of the Company scheduled to be held on Thursday, 31<sup>st</sup> July, 2025, at 11:30 a.m. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM').

The aforesaid documents are also available on the website of the company at <https://www.indiafinsec.in/wp-content/uploads/2025/07/Annual-Report-2024-25.pdf>.

This is for your information and record.

Thanking You,

Yours Faithfully,  
**For India Finsec Limited**

**Rahul**  
**Company Secretary**



**INDIA FINSEC LIMITED**

**2024-25**  
**ANNUAL**  
**REPORT**





## *Corporate Information*

|   |  |
|---|--|
| <b>Board of Directors</b>                         | <b>Mr. Gopal Bansal(Chairman &amp;Managing Director)</b>   |
|   | <b>Mr. Mukesh Sharma (Non-Executive Director)</b>  |
|   | <b>Ms. Purva Mangal (Independent Director)</b>   |
|   | <b>Mr. Amit Kumar Agarwal (Independent Director)</b>   |
|   | <b>Mr. Devi Dass Agarwal (Independent Director)</b>  |
| <b>Audit Committee</b>                            | <b>Mr. Amit Kumar Agarwal (Chairman)</b>   |
|   | <b>Mr. Gopal Bansal (Member)</b>   |
|   | <b>Mr. Devi Dass Agarwal (Member)</b>  |
| <b>Nomination &amp; Remuneration Committee</b>    | <b>Mr. Amit Kumar Agarwal (Chairman)</b>   |
|   | <b>Mr. Mukesh Sharma (Member)</b>  |
|   | <b>Mr. Devi Dass Agarwal (Member)</b>  |
| <b>Stakeholders &amp; Relationship Committee</b>  | <b>Mr. Amit Kumar Agarwal (Chairman)</b>   |
|   | <b>Mr. Gopal Bansal (Member)</b>   |
|   | <b>Mr. Devi Dass Agarwal (Member)</b>  |
| <b>Risk Management Committee</b>                  | <b>Mr. Gopal Bansal (Chairman)</b>   |
|   | <b>Mr. Amit Kumar Agarwal (Member)</b>   |
|   | <b>Mr. Devi Dass Agarwal (Member)</b>  |
| <b>Chief Financial Officer</b>                    | <b>Mr. Manoj Kumar Gupta (CFO)</b>   |
| <b>Company Secretary &amp; Compliance Officer</b> | <b>Mr. Rahul</b>   |
| <b>Registered Office</b>                          | <b>D-16, 1st Floor, Above ICICIBank Prashant Vihar, Sector-14,Rohini,New Delhi – 110085</b>                                  |
| <b>Statutory Auditor</b>                          | <b>M/s Ajay Rattan &amp; Co.<br/>(Chartered Accountants)</b>   |
| <b>Secretarial Auditor</b>                        | <b>M/S SARITA SINGH &amp; ASSOCIATES, CS Sarita Singh (Practicing Company Secretary)</b>                                     |
| <b>Internal Auditor</b>                           | <b>M/s Himanshu Sunil &amp; Associates<br/>(Chartered Accountants)</b>   |
| <b>Registrar and Share Transfer Agent</b>         | <b>Skyline Financial Services Private Limited<br/>D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020</b> |
| <b>E-mail Id &amp; Website</b>                    | <b>indiafinsec@gmail.com &amp; <a href="http://www.indiafinsec.com">www.indiafinsec.com</a></b>                              |



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## **Notice**

**Notice** is hereby given that the Thirty First (31<sup>st</sup>) Annual General Meeting (AGM) of the members of **India Finsec Limited** will be held on **Thursday, July 31, 2025 at 11:30 a.m. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')** to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1 - Adoption of financial Statements**

To consider and adopt (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

a) **“RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

#### **Item No. 2 – Re-appointment of Mr. Mukesh Sharma as a director liable to retire by rotation**

To re-appoint Mr. Mukesh Sharma, Non- Executive Director (DIN:00274217), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mukesh Sharma (DIN 00274217), who retire by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

#### **Item No. 3 – Re-appointment of Mr. Gopal Bansal (DIN: 01246420), as Managing Director**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (hereafter called the ‘Act’), if any and rules made there under and any amendments thereto or statutory modifications or reenactment thereof, Articles of Association of the Company, recommendation of Nomination & Remuneration Committee and Board of Directors and subject to the approvals of the Central Govt., if necessary and such



other approvals, permissions and sanctions as may be required in this regard, consent of the Company is hereby accorded for the re-appointment of Mr. Gopal Bansal (DIN: 01246420) as the Chairman and Managing Director of the Company without any remuneration for a further period of five (5) consecutive years commencing from 16th January, 2026 till 15th January, 2031, on such terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Gopal Bansal, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

#### **Item No. 4 – Appointment of Secretarial Auditor**

To appoint M/s Sarita Singh & Associates, Practicing Company Secretaries, (C.P No.: 24682) as Secretarial Auditors of the Company for the period of five years commencing from the FY 2025-26 to FY 2029-30 on such remuneration as may be mutually agreed between the Board of Directors/Audit Committee and the Secretarial Auditor.

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

“**RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s Sarita Singh & Associates, Practicing Company Secretaries, (C.P No.: 24682) be and is hereby appointed as Secretarial Auditors of the Company for conducting Secretarial Audit and issue the Secretarial Compliance Report for a term of five consecutive years from FY 2025-26 to FY 2029-2030 in accordance with the provisions of the Companies Act, 2013 and the rules made there under, and that the Board of Directors be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.

**RESOLVED FURTHER THAT** approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board from time to time.

**RESOLVED FURTHER THAT** the purpose of giving effect to this resolution, the Board of Directors/Committee and Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, proper or desirable to give effect to the above resolution.”

#### **Item No. 5- Approval for Material Related Party Transactions**



To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) (“Listing Regulations”), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the **arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares (including any other transfer of resources, services or obligations)** upto an amount upto Rs. 200 Crores in financial year 2026-27 entered or to be entered into by the Company with IFL Finance Limited (Formerly known as IFL Housing Finance Limited), a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms’ length basis as set out in the explanatory statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares and to perform all other obligations in terms of such arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares with the Related parties.”

**By order of the Board of Directors  
For India Finsec Limited**

**Sd/-  
Rahul  
Company Secretary**

**Date: 07.07.2025  
Place: New Delhi**

**Notes:**

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of Item Nos. 3 to 5 of the accompanying Notice, is annexed hereto. Further, disclosures in relation to Item Nos. 3 to 5 of the Notice, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and ‘Secretarial Standard 2 on General Meetings’ issued by the Institute of Company Secretaries of India (“SS-2”) forms an integral part of this Notice.
2. In compliance with General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and Circular issued by SEBI vide Circular No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 (“SEBI Circular”), other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof) for the time being in force and as amended from time to time and the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 31st Annual General Meeting (“AGM”) of the Company is being held through VC/OAVM without the physical presence of Members at a common venue. The deemed venue for the 31st AGM will be the Registered Office of the Company – India Finsec Limited, D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085

In compliance with the MCA Circulars and SEBI Circulars, the provisions of the Act and the SEBI Listing Regulations, the 31st AGM of the Company is being held virtually. The Notice convening this AGM along with the Annual Report for FY25 is being sent by electronic mode to those Members whose e-mail address is registered with the Company/Depositories, unless a Member has specifically requested for a physical copy of the same. Members may kindly note that the Notice convening this AGM and Annual Report for FY25 will also be available on the Company’s website <https://www.indiafinsec.in/>, website of the Stock Exchanges i.e. BSE Limited (BSE) at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com>. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail Id., Cut-off date for e-voting, Record Date for payment of dividend, etc.

3. Since this AGM is held through Video Conference/Other Audio Visual Means (“VC/OAVM”), route map to the venue is not required and therefore, the same is not annexed to this Notice.
4. Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Members holding equity shares as on Friday, July 25, 2025 (“Cut-off date”) may join the AGM anytime 30 minutes before the scheduled time by following the procedure outlined in the Notice. A person who is a Member as on the Cut-off date shall be eligible to attend and vote on resolutions proposed at the AGM. Any person who is not a Member as on the Cut-off date shall treat this Notice for informational purpose only.
5. Attendance through VC/OAVM is restricted and hence, Members shall be eligible to join the meeting on first come-first-serve basis. However, attendance of Members holding more than 2% of the paid-up equity share capital, Institutional investors, Directors, Key Managerial Personnel, and Auditors will not be restricted on first- come-first serve basis.
6. **Appointment of Proxy and Attendance Slip:**

Since the 31st AGM is being held through VC/OAVM in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 31st AGM, and therefore, proxy form and attendance slip are not annexed to this Notice.



7. The Company has appointed M/s., Sarita Singh & Associates, Company Secretary (Membership No. A55937 and Certificate of Practice No. 24682) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.
8. Corporate shareholders/institutional shareholders intending to send their authorised representative(s) to attend / vote at the 31st AGM are requested to send from their registered e-mail address, scan copy of the relevant Board Resolution/Authority Letter, etc. authorizing their representative(s) to attend / vote, to the Scrutinizer on her e-mail ID at [cs.saritasingh2614@gmail.com](mailto:cs.saritasingh2614@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) and [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com).
9. SEBI vide its notification dated January 25, 2022, has mandated listed companies to issue securities in dematerialised form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further, as per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or M/s. Skyline Financial Services Private Limited('RTA'), for assistance in this regard. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participant with whom they are maintaining their demat account.
10. The Members are encouraged to furnish/ update their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA/the Company in specified forms. The Securities and Exchange Board of India ("SEBI") has mandated Members holding shares in physical mode to furnish their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA/the Company.  
Please note that unless the above details are updated with the RTA/the Company, Members would not be able to receive any correspondence(s)/information/intimation from the RTA/the Company.

Please note that it is also mandatory to link PAN with Aadhar number. Investors who are yet to link the PAN with Aadhar number are requested to complete the same. Securities held in physical folios which have no PAN registered/have invalid PAN registered/no PAN linked with their Aadhar numbers in the records of the RTA/Company shall be considered inoperative/inactive/ incomplete.

The formats for nomination and updation of KYC details in accordance with the SEBI circular are available on the Company's website at <https://www.indiafinsec.in/investors-info/>.

Effective January 01, 2022, Grievance Redressal/ Service Requests can be availed with the RTA only after the required documents/complete data as mandated are furnished for physical folios.

The duly filled-in Forms along with supporting documents may be sent to the RTA at their address – Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110 020 and email id: [info@skylinerta.com](mailto:info@skylinerta.com) . Members may submit the duly filled complete set of scanned documents with e-sign\* through e-mail. Please note that only documents received from the registered e-mail address of the shareholders will be considered. The documents received from e-mail address of brokers and third parties will not be entertained.

\*e-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-sign user. You may approach any of the empanelled e-sign Service providers available on <https://cca.gov.in/> for the purpose of obtaining e-sign.





**11.** Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as the name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant(s), in case they hold the shares in electronic form and to the Company's RTA for shares held in physical form, with relevant documents, by following the instructions given above.

**12.** Manner of registration of e-mail address to receive the Annual Report for 2024-25 including AGM Notice:

In terms of MCA Circulars, for the purpose of the 31st AGM, the eligible Members, whose e-mail addresses are not registered with the Company/ DP and who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically, may register their e-mail addresses with the RTA/ Company/Depositories, pursuant to which such Member shall receive the Notice of this AGM along with the Annual Report 2024-25.

**13.** Electronic dissemination of the AGM Notice and Annual Report: Electronic/digital copy of the Annual Report for FY25 and Notice convening the 31st AGM are being sent to all Members whose e-mail Id. are registered with the RTA/ Company/Depositories. Members who have not registered their e-mail Id. may get the same registered by following the instructions mentioned below. For Members who have not registered their e-mail address, a letter containing exact web-link of the website i.e. <https://www.indiafinsec.in/investors-info/> where the Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories. The Company shall provide hard copy of the Annual Report for FY25 to the Members, upon request.

#### **14. E-voting:**

- In accordance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, SS-2 and Regulation 44 of the SEBI Listing Regulations, the Company has extended the facility of voting through electronic means including 'Remote e-voting' (e-voting other than at the AGM) to transact the business mentioned in the Notice convening the 31st AGM.
- Necessary arrangements have been made by the Company to facilitate 'Remote e-voting' as well as e-voting at the aforementioned AGM. Members shall have the option to vote either through remote e-voting (during the remote e-voting window) or at the AGM.
- Voting rights of Members shall be reckoned on the paid up value of equity shares registered in their name as on the Cut-off date.
- Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e, 25<sup>th</sup> July, 2025, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.
- The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Any person who becomes a Member of the Company after dispatch of the Notice and holds equity shares as on the Cut-off date can vote by following the procedure for e-voting, as outlined in the Notice.
- Any person holding shares in physical form, who acquire equity shares of the Company and become Member after the notice is sent through e-mail and is holding shares as of the Cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for



casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000. In case of Shareholders holding securities in demat mode who acquire shares and become Member after the notice is sent through e-mail and holding shares as of the **Cut-off date** may follow steps mentioned in the Notice.

- Members present at the 31st AGM and who have not cast their vote on resolutions set out in the Notice convening the AGM through remote e-voting and who are not otherwise barred from doing so, shall be allowed to cast their vote through e-voting facility during the AGM.
- However, Members who have exercised their right to vote during the Remote e-voting period may attend the AGM but shall not be entitled to cast their vote again.
- Once the vote on a resolution is cast, Member shall not be allowed to change the same subsequently or cast vote again.
- Members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail.
- In case of joint holders attending the 31st AGM, only such joint holder who is higher in the order of names as per the Company’s records, will be entitled to cast vote.
- With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
- As per SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated April 20, 2018, members holding shares in Physical forms are requested to submit their PAN details and Bank Details to the RTA of the Company.
- Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

## 15. Book Closure

Register of Members and Share Transfer Books of the Company will remain closed from **July 25, 2025 to July 31, 2025** (both days inclusive) for the purpose of AGM.

## 16. Cut- off date:

- (i) This Notice is being sent to all the members whose name appears as on **Friday, July 04, 2025** in the register of members or beneficial owners as received from **M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent** of the Company.
- (ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **Friday, July 25, 2025** (the “**Cut-off Date**”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.



**17. Inspection of documents:** Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com).

#### **18. Instructions for remote e-voting and access to the 31st AGM**

Members are requested to follow the instructions given below to cast their vote through e-voting and to access the Video Conference facility at the AGM:

**The remote e-voting period begins on Sunday, July 27, 2025 at 09:00 A.M. and ends on Wednesday, July 30, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, July 25, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, July 25, 2025.**

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

##### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**





In terms of SEBI circular 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 to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services</li> </ol> |





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|  | <p>under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> <li>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 Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>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 &amp; voting during the meeting. Additionally, there</li> </ol>   |



|  |  |
|--|--|
|  | <p>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.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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 able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>  |

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

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

| Login type   | Helpdesk details   |
|--|--|
| 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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000  |
| 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

#### **How to Log-in to NSDL e-Voting website?**

1. 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.



2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:  |
|--|---|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.    |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example, if your Beneficiary ID is 12***** then your user ID is 12*****.   |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’, and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**



1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.saritasingh2614@gmail.com](mailto:cs.saritasingh2614@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call at 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: [evoting@nsdl.com](mailto:evoting@nsdl.com) or at telephone no. 022-48867000.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com).

If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

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1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.



2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com). The same will be replied by the company suitably.

**19. Registration as speaker at the AGM**

**Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address, mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com) on or before 25<sup>th</sup> July, 2025.** The facility to express views/ask questions during the AGM shall be restricted only to those members who have pre-registered themselves as speakers. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**20. Declaration of results of voting:**

After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favour or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the voting will be declared within the time stipulated under the applicable laws.



The voting results along with the Scrutinizer's report, will be hosted on the Company's website, <https://www.indiafinsec.in/investors-info/>, website of NSDL, <https://www.evoting.nsdl.com/>, displayed on the Notice Board of the Company at the Registered Office and will be simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

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 required to submit their PAN to their Depository Participants and Members holding shares in physical form shall submit their PAN to the Company/ R & T Agents.

- 21.** The Members are requested to inform of any change in their addresses, name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, e-mail address, contact numbers, etc., for providing efficient and better services immediately to:

(i) Registrar and Share Transfer Agents (R&T Agents) in case of shares held in Physical Form or

(ii) Depository Participants in case of shares held in Electronic Form

- 22.** Details as per Regulation 36(3) of Listing Regulations Clause 1.2.5 of the SS-2, in respect of the Directors seeking appointment/ re- appointment at the Annual General Meeting attached as **Annexure –I**, forms integral part of the notice.

**By order of the Board of Directors  
For India Finsec Limited**

**Date: 07.07.2025  
Place: New Delhi**

**Sd/-  
Rahul  
Company Secretary**





**EXPLANATORY STATEMENT**  
**(Pursuant to section 102(1) of the Companies, Act, 2013)**

**Item No. 3: Re-appointment of Mr. Gopal Bansal (DIN: 01246420), as Managing Director**

The Shareholders of the Company at the Annual General Meeting of the Company held on 30th day of September, 2020, had approved the re-appointment of Mr. Gopal Bansal, as Managing Director of the Company for a period of Five (5) Years with effect from 16th January, 2021 till 15th January, 2026, in compliance with the provisions of Companies Act, 2013 and rules made thereunder.

The Board of Directors of the Company, at its meeting held on 07<sup>th</sup> July, 2025, based on the recommendation of Nomination and Remuneration Committee, have re-appointed, subject to the shareholders' approval, Mr. Gopal Bansal, Chairman & Managing Director of the Company for a period of 5 years w.e.f. 16th January, 2026.

The Board of Directors, after careful consideration and evaluation, is pleased to appoint Mr. Gopal Bansal as the Managing Director of the company. Mr. Bansal, a Fellow Member of the Institute of Chartered Accountants of India (ICAI), has been an integral part of the company since its inception and is the Managing Director and promoter of the organization.

Mr. Bansal brings exceptional leadership capabilities, a disciplined approach to business, and a robust governance framework, all of which are crucial for steering the company towards its strategic objectives. His sharp financial acumen, coupled with his profound understanding of business dynamics, has been a driving force behind the company's growth and success.

The terms and conditions of his re-appointment and remuneration are set out in the Resolution proposed to be passed, including the following:

- (a) The term of Managing Director's re-appointment is for a period of 5 years with effect from January 16, 2026 till January 15, 2031.
- (b) The re-appointment of the Managing Director shall be without remuneration. Further, no sitting fee shall be payable to the Managing Director during his tenure for attending any meeting of the Board or a Committee thereof.
- (c) The Managing Director shall be reimbursed for all the expenses incurred by him/her for travelling, boarding and lodging during his/her business trips conducted on behalf of the Company. These reimbursement of expenses will not be included in the calculation of the remuneration of the Managing Director.
- (d) The Managing Director shall adhere to various policies, code of conduct, staff rules of the Company as may be applicable by virtue of his office for the purpose of discharging his official duties/powers as delegated by the Board from time to time.





The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Gopal Bansal under Section 190 of the Companies Act, 2013.

In compliance with the provisions of Sections 197, 198 read with Schedule V and other applicable provisions of the Act, the terms and conditions of re-appointment and remuneration specified in the resolution are now being placed before the Members in General Meeting for your approval.

The Board of Directors recommends the passing of this Resolution by Special Resolution. Other than Mr. Gopal Bansal, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is in any way concerned or interested, financially or otherwise, in the resolution at Item No. 3 of the accompanying Notice.

Mr. Gopal Bansal is not related to any other Director or KMP of the Company. For further details of Mr. Gopal Bansal, Kindly refer **Annexure-I**.

#### **Item No. 4: Appointment of Secretarial Auditor**

The Members are hereby informed that SEBI vide Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated appointment of secretarial auditor for a term of five consecutive years in case an individual is appointed as a secretarial auditor and two terms of five consecutive years in case a secretarial audit firm is appointed as secretarial auditor. Further, pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company and its material subsidiaries are required to annex with its Annual Report a Secretarial Audit Report issued by a Secretarial Auditor.

SEBI vide its notification dated 12 December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“the Listing Regulations”). The Amended regulation read with the SEBI circular no. SEBI/ HO/CFD/CFDPoD-2/CIR/P/2024/185 dated 31 December, 2024 (the Circular) have inter-alia prescribed the term of appointment/ reappointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

In compliance with the above requirements, the Board of Directors of the Company, based on the recommendation of the Audit Committee and after considering various parameters such as professional expertise, industry experience, independence, resource adequacy, and track record, at its meeting held on May 22, 2025, approved the proposal for the appointment of M/s Sarita Singh & Associates, Practicing Company Secretaries, (C.P No.: 24682), as the Secretarial Auditors of the Company for a period of five (5) consecutive financial years, commencing from Financial Year 2025–26 to Financial Year 2029–30.

The Board of Directors have approved that in addition to the Secretarial Audit Report, the Secretarial Auditor may also render such other services or provide such certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws.

The rationale of the Board has decided to appoint M/s Sarita Singh & Associates, Practicing Company Secretaries, to support the company’s corporate governance initiatives, compliance management, and



legal advisory needs. M/s Sarita Singh & Associates brings a wealth of expertise in handling complex corporate matters, with a proven track record in due diligence, compliance audits, and offering strategic guidance on regulatory frameworks. The firm's deep understanding of evolving legal landscapes, coupled with its commitment to delivering personalized, practical solutions, aligns perfectly with the company's requirements. This appointment is in line with the company's strategic objective of maintaining the highest standards of corporate responsibility and transparency.

The proposed remuneration for conducting the Secretarial Audit for the Financial Year 2025–26 would be as may be mutually decided between the Company and Auditor. The remuneration for the subsequent financial years shall be determined by the Audit Committee and Board of Directors in consultation with the Auditors. Additional fees for statutory certifications and other professional services, if any, required to be obtained from the Secretarial Auditor, will be determined separately by the Board of Directors (including any Committee thereof) in consultation with the Secretarial Auditors. The remuneration for the subsequent financial years will also be approved by the Board (including any Committee thereof).

In this regard, the Company has received the written consent from M/s Sarita Singh & Associates, Practicing Company Secretaries, to the said appointment and have confirmed their eligibility and compliance with the conditions prescribed under Section 204 of the Companies Act, 2013 and relevant rules framed thereunder and Regulation, 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. M/s Sarita Singh & Associates, Practicing Company Secretaries, has also confirmed that they hold valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India.

Details as required under Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

| Requirement   | Particulars   |
|---|---|
| <b>Proposed fees payable to the secretarial auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such outgoing auditor along with the rationale for such change auditor from that paid to the outgoing auditor along with rationale for such change</b> | <p>The term of appointment of M/s Sarita Singh &amp; Associates, Practicing Company Secretaries, (C.P No.: 24682), as Secretarial Auditor of the Company would be for a period of 5 years i.e. from FY 2025-26 to FY 2029-30.</p> <p>The remuneration proposed to be paid to the proposed Auditor for the audit services to be provided during the financial year ending March 31, 2026 and for other remaining financial yeras, would be as may be mutually decided between the Company and Auditor. In addition to the audit services, the Secretarial auditors would also be paid the fees for various certifications and non-audit services as may be obtained by the Company from time to time, for which the Auditors would be remunerated separately on mutually agreed terms,</p> |



|  |   |
|--|---|
|  | <p>as may be approved by the Board of Directors on the recommendations of the Audit Committee. The Members are informed that M/s Sarita Singh &amp; Associates, Practicing Company Secretaries, are currently serving as the secretarial auditor of the Company for the FY 2024-25. Accordingly, as there is no change in the secretarial auditor, the fees payable to the proposed Auditors would be on the same terms as applicable to the existing Auditors and hence there is no material change.</p> <p>The audit fee for subsequent financial years shall be on mutually agreed terms, as may be approved by the Board on the recommendations of the Audit Committee.</p> |
| <b>Basis of recommendation for appointment including the details in relation to and credentials of the secretarial auditor(s) proposed to be appointed</b> | <p>M/s Sarita Singh &amp; Associates, Practicing Company Secretaries, is a Company Secretary firm, which provides wide array of professional services such as Due Diligence, handling corporate governance matters, managing compliance, and advising on various corporate legal issues</p>   |

### **Item No. 5**

The members may note that the Securities and Exchange Board of India (“SEBI”) notified SEBI (Listing Obligation and Disclosure Requirements) (Sixth Amendment) Regulation, 2021 on November 9, 2021 which were effective from April 1, 2022. The amended provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) defines a “material related party transaction” as transaction to be entered into individually or taken together with previous transactions during a financial year by the company, which exceeds INR 1,000 crore or 10% of annual consolidated turnover of the listed entity, whichever is lower, as per last audited financial statements of the listed entity. Further, such “material related party transactions” require prior approval of shareholders of the company.

SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and vide SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 (hereinafter collectively referred to as “SEBI Circulars”) had, inter-alia, clarified that the shareholders’ approval of omnibus related party transactions approved in an annual general meeting shall be valid up to the date of the next annual general meeting for a period not exceeding fifteen months. SEBI had also clarified that in case of omnibus approvals for material RPTs obtained from shareholders in general meeting other than AGMs, the validity of such approvals shall not exceed one year. Pursuant to the provisions of said Circulars of SEBI, it is proposed to seek approval from the shareholders of the Company for “material related party transactions” by the Company as mentioned hereinunder.



IFL Finance Limited is Related Party as defined under Section 2 (76) of the Companies Act, 2013 and/ or under applicable accounting standards. IFL Finance Limited is Subsidiaries of India Finsec Limited. Your Company holds 71.01% equity share capital in IFL.

Your Company operates in the loan and investment sector and is duly registered with the Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) with a focus on loans and investments. Given the nature of your Company's operations, the transactions with IFL Finance Limited are ongoing and integral to the course of our business, conducted at an arm's length basis.

In light of IFL Finance Limited's consistent growth and its evolving business needs, the Board of Directors, in consultation with the Audit Committee, has deemed it necessary for the holding company to provide a Corporate Guarantee to facilitate the company's financing arrangements. As IFL Finance Limited continues to expand its operations and pursue strategic initiatives, the need for additional financial support has arisen, particularly to meet the requirements of its lenders.

Given our position as the holding company, it is in the best interest of both entities to extend the necessary support to ensure the continued financial stability and operational growth of IFL Finance Limited. The approval of a resolution by the Board and Audit Committee authorizes the holding company to extend a Corporate Guarantee or provide security, as required, in connection with loans, arrangements, transactions, contracts, or investments in shares up to a maximum of Rs. 200.00 Crores on behalf of IFL for each fiscal year, specifically 2026-27.

Since the value of these transactions may exceed the materiality threshold as stipulated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are seeking your approval for these Related Party Transactions as detailed in the resolution for the financial years 2026-27.

Additional information required under the Act and SEBI Regulations, 2015, pertinent to these transactions is provided herein:

| <b>Name of the Related Party</b>   | <b>IFL Finance Limited</b>  |
|--|---|
| <b>Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)</b> | Subsidiary of the Company   |
| <b>Type, material terms and particulars of the contract or arrangement/Proposed RPTs</b>   | To provide Corporate Guarantee or security in connection with a loan to any other body corporate or person/ arrangements/ transactions/ contracts/investment in shares (including any other transfer of resources, services or obligations) |
| <b>Tenure of the Proposed Transaction</b>  | Financial Year 2026-27  |
| <b>Estimated Value of the Proposed Transaction</b>   | Up to Rs 200.00 Crores for each financial year i.e. 2026-27.  |
| <b>Percentage of the Company's annual consolidated turnover (including other income) for the immediately</b>                           | 278.07%   |



|   |  |
|---|--|
| <b>preceding financial year that is represented by the value of the proposed transaction</b>  |  |
| <b>Details of the source of funds in connection with the proposed transaction</b>   | NIL  |
| <b>Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure;</b>                                     |  |
| <b>Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</b>  |  |
| <b>Purpose for which funds will be utilized</b>   |  |
| <b>Justification as to why the RPT is in the interest of the Company</b>  | The company is having major stake in its subsidiary. Thus, increase in its subsidiary's revenue will increase its investment value.  |
| <b>Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder</b> | N.A  |
| <b>Name of the Director or KMP who is related, if any</b>   | Mr. Gopal Bansal Being Managing Director & shareholder, Mr. Mukesh Sharma Director & Shareholders and Mrs Sunita Bansal being Shareholder of the Company and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution. |
| <b>Any other information</b>  | Nil  |

Mr. Gopal Bansal being Managing Director & shareholder, Mr. Mukesh Sharma Director & Shareholder and Mrs Sunita Bansal being Shareholder of the Company and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not. The Board recommends the Ordinary Resolution set out



at Item No. 5 of the Notice for approval of the shareholders.

**By order of the Board of Directors  
For India Finsec Limited**

**Date: 07.07.2025  
Place: New Delhi**

**Sd/-  
Rahul  
Company Secretary**



## **Annexure I to the Notice**

### **Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India]**

|   |  |  |
|---|--|--|
| <b>Name of the Director</b>   | Mr. Gopal Bansal   | Mr. Mukesh Sharma  |
| <b>Age</b>  | 49 Years   | 47 Years   |
| <b>Qualifications</b>   | He is Chartered Accountants by profession.   | Master of Commerce (M.Com)   |
| <b>Brief Resume</b>   | Mr. Gopal Bansal is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is the Managing Director & promoter of the company. He is having excellent leadership skills, discipline and robust governance ability. He is the key driver of company's goals and has sharp financial acumen. He oversees the policy, vision and diversification and strategic planning and ensures flawless performance of the Group. | Mr. Mukesh Sharma having expertise in the field of financing, investment, management consultancy and Finance etc. He was appointed as a Director on December 18, 2006. Thereafter, as per his knowledge and experience, the members of the Company had re-appointed him as Whole Time Director of the Company during the financial year 2016-17. Due to his busy schedule and some other commitments elsewhere, he was designated as Non- Executive Director w.ef. 14 <sup>th</sup> August, 2017. Presently, he is providing valuable services to the Company. |
| <b>Experience (including expertise in specific functional area)</b> | He has over two decades of diverse experience in the field of finance & taxation. portfolio management, treasury management, finance product designing, business takeovers, mergers, corporate laws, assets restructuring & assets recovery.   | He has diverse experience in the field of Financial & Portfolio Management.  |
| <b>Terms and Conditions of Appointment/ Reappointment</b>           | Mr. Gopal Bansal is being reappointed on the same terms and conditions.  | Mr. Mukesh Sharma is being reappointed on the same terms and conditions.   |





|   |   |   |
|---|---|---|
| <b>Remuneration last drawn (including sitting fees, if any)</b>   | Nil   | Nil   |
| <b>Remuneration proposed to be paid</b>   | He shall not be paid any remuneration and sitting fees for attending Board or Committee meetings.                       | He shall not be paid any remuneration and sitting fees for attending Board or Committee meetings.                     |
| <b>Date of first appointment on the Board</b>   | 15th July, 2011   | 18th December, 2006   |
| <b>Shareholding in the Company as on March 31, 2025</b>   | Mr. Gopal Bansal holds 40,44,141 equity shares of the Company amounting to 13.85% of total shareholding in the Company. | Mr. Mukesh Sharma holds 1292540 equity shares of the Company amounting to 4.43% of total shareholding in the Company. |
| <b>Relationship with other Directors/Key Managerial Personnel</b>   | None  | None  |
| <b>Number of meetings of the Board attended during the year</b>   | 21 Board meetings   | 21 Board meetings   |
| <b>Name of other Public Companies in which the person holds the Directorships</b>                                 | IFL Finance Limited   | Nil   |
| <b>Name of the other Public Companies in which the person holds the Memberships of committees of the Board</b>    | IFL Finance Limited   | Nil   |
| <b>Name of Listed entities in which person also holds directorship and Membership of Committees of the Boards</b> | India Finsec Limited  | India Finsec Limited  |
| <b>Listed entities from which the person has resigned in the past three years</b>                                 | Nil   | Nil   |

**By order of the Board of Directors  
For India Finsec Limited**

**Sd/-  
Rahul  
Company Secretary**

**Date: 07.07.2025  
Place: New Delhi**





## BOARD REPORT

To,  
The Members,

Your Directors are pleased to present the Company's 31<sup>st</sup> Annual Report on the business & operations of the Company and Audited Statement of Accounts Statements (Standalone & Consolidated) for the year ended 31<sup>st</sup> March 2025 along with the Auditor's Report thereon.

### COMPANY BACKGROUND

India Finsec Limited ("the Company") is a RBI registered Non-Banking Financial Company ("NBFC"). The registered office of the Company is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085. The Company was incorporated on August 10, 1994. The Company has its Equity Shares listed at BSE Limited.

### FINANCIAL PERFORMANCE

| Particulars                     | Financial year ended (Rs. In '000') |                |                |                |
|---------------------------------|-------------------------------------|----------------|----------------|----------------|
|                                 | Standalone                          |                | Consolidated   |                |
|                                 | March 31, 2025                      | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| <b>Total Income</b>             | 7,786.71                            | 4,116.80       | 7,19,232.61    | 6,41,370.79    |
| <b>Total Expenditure</b>        | 7,160.29                            | 3,836.56       | 4,79,413.81    | 4,80,590.36    |
| <b>Profit/(Loss) before tax</b> | 626.42                              | 280.23         | 2,39,818.80    | 1,60,780.44    |
| <b>Profit/(Loss) after tax</b>  | 10.94                               | 200.94         | 1,81,286.85    | 1,21,714.17    |
| <b>Paid-up Share Capital</b>    | 2,91,917.15                         | 249,417.15     | 2,91,917.15    | 2,49,417.15    |

### STATE OF COMPANY'S AFFAIRS/BUSINESS OVERVIEW

During the year, the Company is engaged primarily in the business of advancing loans and investing. The company's business at the end of the year is now similar to that of a Core Investment Company (CIC).

During the financial year 2024-25, total revenue on standalone basis has been increased to Rs. 77,86,710/- as against Rs. 41,16,800/- in the previous year registering a growth of 89.14%. However, the group registered a net profit of Rs. 10,940/- in current year as against a net profit of Rs. 2,00,940/- in the previous year.

On a consolidated basis, the group achieved revenue of Rs. 71,92,32,610/- as against Rs. 64,13,70,790/- during the previous year, registering a growth of 12.14%. The Profit after Tax for the current year is Rs. 18,12,86,850/- as against the previous year profit of Rs. 12,17,14,170/-.



## **DIVIDEND**

During the year under review the Board of Directors has not recommended any dividend on equity shares of the Company.

## **TRANSFER TO RESERVES**

In terms of Section 45-IC of the RBI Act 1934, the Company registered as NBFC with RBI is required to transfer at least 20% of its Profit after tax to a Reserve Fund before dividend is declared. As at the year end, an amount of Rs. 2,190/- has transferred to the Reserve Fund.

## **CHANGES IN THE NATURE OF BUSINESS**

The Company is engaged primarily in the business of advancing loans and investing.

The Board of Directors, at its meeting held on 15th April, 2025, approved the surrender of the Certificate of Registration (CoR) granted by the Reserve Bank of India (RBI) for carrying on the business of a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). In line with this decision, the Company has submitted the requisite application to the RBI for cancellation of its registration.

Details of the Certificate of Registration are as follows:

- Registration No.: B-14.00127
- Date of Issue: 09.03.2012
- Category: NBFC – Investment and Credit Company (NBFC-ICC)

This strategic move was undertaken to facilitate the restructuring of the group's financial services operations, specifically to enable the conversion of IFL Finance Limited (formerly known as IFL Housing Finance Limited), a subsidiary of the Company, from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). The conversion has been successfully completed, and the RBI has issued a fresh Certificate of Registration to the subsidiary dated 26th June, 2025, confirming its new status as an NBFC-ICC.

Following the approval and cancellation of the CoR by the RBI, India Finsec Limited will operate as an unregistered Core Investment Company (CIC), in compliance with applicable RBI guidelines. The Company meets the prescribed eligibility criteria for operating as an unregistered CIC. This realignment is part of the Company's broader strategic initiative to optimise its group structure and focus on core investment activities.

## **MATERIAL CHANGES AND COMMITMENTS**

There has been no material change affecting the financial position of the Company between the close of the financial year and the date of this report. However, a significant corporate development has occurred. The Company has submitted an application to the Reserve Bank of India (RBI) for the surrender of its Certificate of Registration (CoR) as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). This step was taken to facilitate the conversion of its subsidiary, IFL Finance Limited (formerly known as IFL Housing Finance Limited), from a Housing Finance Company (HFC) to an NBFC-ICC.



The conversion of the subsidiary has since been successfully completed, and the RBI has issued a fresh Certificate of Registration dated 26th June, 2025, reflecting its status as an NBFC-ICC.

## **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

## **DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013**

The Company has not accepted any deposits from the public under Chapter V of the Act, and as such, no principal or interest was outstanding as of the balance sheet date.

## **STATUTORY AUDITOR**

The members of the Company at their 28<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022, approved the appointment of M/s. Ajay Rattan & Co., Chartered Accountants (Firm Registration Number: 012063N) as the Statutory Auditors of the Company, to hold office from the conclusion of the 28<sup>th</sup> Annual General Meeting until the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2027.

## **Auditor's Report**

The Auditor's Report for Financial Year Ended March 31, 2025 is unmodified i.e. does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self-explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Annual Report.

## **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, the Company had appointed Mrs. Sarita Singh, Proprietor of M/s Sarita Singh & Associates, (Membership No.: A55937; Certificate of Practice No.: 24682) to undertake the Secretarial Audit of the Company for FY 2024-25.

Further, in terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI, Mrs. Sarita Singh issued the Annual Secretarial Compliance Report, confirming compliance by the Company of the applicable SEBI Regulations and circulars / guidelines issued thereunder.

The Secretarial Audit Report is appended as **Annexure- III** to this Report.



## **Secretarial Audit Report of Subsidiary Company**

The Secretarial Audit Report of M/s IFL Finance Limited (Formerly known as IFL Housing Finance Limited), subsidiary of India Finsec Limited, for the financial year ended March 31, 2025 does not contain any qualification, reservation or adverse remark. A copy of Secretarial Audit Report as provided by Company Secretary in Practice has been annexed with the Report. (Annexure-IV).

## **INTERNAL AUDITOR**

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s Himanshu Sunil & Associates, Chartered Accountants, as an Internal Auditor of the Company, to check the internal controls and functioning of the activities of the Company and also recommends way of improvement. They have provided Internal Audit Report of the Company for the financial year ended March 31, 2025. The Internal audit is carried out yearly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction. The Report does not contain any qualification, observation, reservation, adverse remark or disclaimer.

## **MAINTENANCE OF COST RECORDS**

The Central Government has not specified maintenance of cost records, for any of the products of the Company, under section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

## **SHARE CAPITAL**

As on 31<sup>st</sup> March, 2025, the Authorised share capital of the Company was Rs. 30,00,00,000 and the paid up equity share capital was Rs. 29,19,17,150/-. During the year under review:

### **A. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any equity shares with differential rights so no disclosure is required as per Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

### **B. ISSUE OF SWEAT EQUITY SHARES**

The Company has not issued sweat equity shares, so no disclosure is required as per Rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

### **C. ISSUE OF EMPLOYEE STOCK OPTIONS**

The Company has not issued employee stock options, so no disclosure is required as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

### **D. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARE BY EMPLOYEES OR BY TRUSTEE FOR THE BENEFIT OF EMPLOYEES**



The Company has not made any provision for purchase of its own share by employees or by trustee for the benefit of employees so no disclosure is required as per Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.

#### E. ISSUE OF SHARES ON PREFERENTIAL BASIS

The Company allotted 42,50,000 equity shares on a preferential basis pursuant to the conversion of **convertible warrants** in its Board meeting held on 14th February 2025. The allotment was made to the following allottees as detailed below:

| Sr. No. | Name of Allotees                                | Category (Promoter/ Non Promoter) | No. of warrants allotted | No. of warrants applied for conversion | No. of equity shares allotted | No. of warrants pending for conversion |
|---------|---|-----------------------------------|--------------------------|--|-------------------------------|--|
| 1.      | Ms. Ganga Devi Bansal                           | Promoter Group                    | 375000                   | 375000                                 | 375000                        | Nil                                    |
| 2.      | Ms. Nidhi Bansal                                | Promoter Group                    | 500000                   | 500000                                 | 500000                        | Nil                                    |
| 3.      | Mr. Arvind Kumar                                | Promoter Group                    | 375000                   | 375000                                 | 375000                        | Nil                                    |
| 4.      | Escorp Asset Management Limited                 | Public                            | 2000000                  | 2000000                                | 2000000                       | Nil                                    |
| 5.      | Overskud Multi Asset Management Private Limited | Public                            | 625000                   | 625000                                 | 625000                        | Nil                                    |
| 6.      | Ms. Charu Goyal                                 | Public                            | 375000                   | 375000                                 | 375000                        | Nil                                    |
|         | <b>Total</b>                                    | 4250000                           | 4250000                  | 4250000                                | 4250000                       |  |

The equity shares were issued at a price of ₹80 per share, comprising a face value of ₹10 and a share premium of ₹70 per share. This issue price was higher than the minimum price of ₹78.52 per share, as determined by the valuation report.

The valuation was conducted by Mr. Ajay Kumar Sukhadiya, a registered valuer holding IBBI Registration No.: IBBI/RV/06/2020/12814, who was duly appointed by the Board for this purpose.

#### LISTING FEES

The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Limited (BSE) for the financial year 2024-25.



## ANNUAL RETURN

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company viz. [www.indiafinsec.in](http://www.indiafinsec.in).

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange and outgo are as follows:

### A. CONSERVATION OF ENERGY

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding conservation of energy are not applicable.

### B. TECHNOLOGY ABSORPTION

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding Technology absorption are not applicable.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no expenditure and/or earning in foreign exchange.

## POLICIES

There are following policies during the financial year 2024-25:

- Policy on Preservation of Documents and Archives Management as per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for Disclosure of events/ information and Determination of materiality as per Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy on Materiality of Related Party Transactions as per Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Risk Management Policy
- Policy for determining 'material' subsidiaries as per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Board Diversity Policy
- Code of Conduct and Terms & Conditions of Independent Director
- Code of Conduct for Board Members and Senior Management Personnel
- Nomination and Remuneration Policy

Such Policies are available on the website of the Company i.e. <https://www.indiafinsec.in/investors-info/>.



## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED

During the financial year 2024-25, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12), OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

## DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

As Company has not done any one time settlement during the year under review hence no disclosure is required.

## CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility is not applicable to the company as company is not falling in the criteria of the CSR as mentioned in Section 135 read with respective rules of the Companies Act, 2013.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As on March 31, 2025, the Board of Director's consists of the following members:

| S. No. | Name of Director       | Designation          | DIN      | Date of Appointment |
|--------|------------------------|----------------------|----------|---------------------|
| 1      | Mr. Gopal Bansal       | Managing Director    | 01246420 | 20.04.2012          |
| 2      | Mr. Mukesh Sharma      | Director             | 00274217 | 18.12.2006          |
| 3      | Mr. Amit Kumar Agarwal | Independent Director | 08768575 | 06.07.2020          |
| 4      | Ms. Purva Mangal       | Independent Director | 02816099 | 22.03.2025          |
| 5      | Mr. Devi Dass Agarwal  | Independent Director | 09152596 | 01.07.2021          |





## A. DIRECTORS

### Directors retiring by rotation

Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mr. Mukesh Sharma (DIN: 00274217) Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible to offers himself for reappointment.

### Changes in directorate

- a) Ms. Himanshi Kashyap (DIN: 07681277) has resigned as an independent director from the Board of the Company with effect from 18<sup>th</sup> September, 2024.
- b) Mrs. Purva Mangal (DIN: 02816099) resigned from the position of Independent Director on the Board of the Company with effect from 31st January, 2025. Subsequently, she was appointed as an Additional Director (Non-Executive & Independent) by the Board of Directors at its meeting held on 22nd March, 2025, subject to the approval of the shareholders at the ensuing General Meeting.

## B. CHIEF FINANCIAL OFFICER

There is no appointment, resignation or any other changes in the position of the Chief Financial Officer of the Company.

## C. COMPANY SECRETARY & COMPLIANCE OFFICER

There is change in Company Secretary & Compliance Officer during the year under review.

Ms. Varsha Bharti resigned from the position of Company Secretary and Compliance Officer with effect from 17th July, 2024.

Subsequently, Ms. Shivani Jindal was appointed as the Company Secretary (Key Managerial Personnel) with effect from 10th September, 2024. However, Ms. Shivani Jindal tendered her resignation from the post of Company Secretary and Compliance Officer with effect from 6th November, 2024, citing the provisions of Para 97 of the Master Direction — Reserve Bank of India (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023, which restricts the same individual from holding the position of Key Managerial Personnel in both the Holding and Subsidiary Company.

Thereafter, Mr. Rahul was appointed as the Company Secretary (Key Managerial Personnel) with effect from 5th February, 2025

## DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance





or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

## **FAMILIARIZATION PROGRAMME**

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarization programme are available on the website of the Company at [www.indiafinsec.com](http://www.indiafinsec.com).

## **FIT AND PROPER CRITERIA & CODE OF CONDUCT**

All the Directors meet the fit and proper criteria stipulated by RBI. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

## **PERFORMANCE EVALUATION**

The Board of Directors has carried out the Annual Performance Evaluation of its own, Committees of Board of Directors and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as contribution of the Individual Director to the Board and Committee meetings. Also in a separate meeting of Independent Directors, performance of Non-Independent Directors, Board as a whole and the Chairman were evaluated, taking into account the views of Executive Directors and Non-Executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## **NUMBER OF MEETINGS OF THE BOARD**

The Board of Directors duly met 21 (Twenty One) times during the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The details of Board meetings and the attendance of Directors in such meetings are given in the Corporate Governance Report forming part of this Annual Report.

## **COMMITTEES AND THEIR MEETINGS**

### **AUDIT COMMITTEE**

The Company has an Audit Committee comprising Mr. Amit Kumar Agarwal (Independent Director), Mr. Devi Dass Agarwal (Independent Director), Mr. Gopal Bansal (Managing Director) and Mr. Rahul (Secretary of the Audit Committee as on March 31, 2025).



During the year under review, the Audit Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

The terms of reference of the Audit Committee inter-alia include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors. All the recommendations made by Audit Committee were accepted. The details of the Audit Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 7 (Seven) Audit Committee Meetings were held.

### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES**

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. The company believes on the honesty, integrity, ethics, transparency and good conduct for its professional environment and provides such kind of environment to its employees and directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically.

This Vigil mechanism/Whistle Blower policy is posted on the website on <http://www.indiafinsec.in/>.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Company has a Nomination & Remuneration Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's scope of work includes nominate the directors as per their qualifications, experience and positive attributes, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee as on March 31, 2025 comprises of Mr. Amit Kumar Agarwal (Independent Director), Mr. Devi Dass Agarwal (Independent Director) and Mr. Mukesh Sharma (Non-Executive Director).

During the year under review, the Nomination & Remuneration Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

The details of the Nomination and Remuneration Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 3 (Three) Nomination and Remuneration committee Meetings were held.

### **NOMINATION AND REMUNERATION POLICY**

The policy of the Company on Directors' Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013 is placed on the



website of the Company i.e. [www.indiafinsec.in](http://www.indiafinsec.in) and the details of Nomination and Remuneration Policy are covered in the Corporate Governance Report. It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company. The Nomination & Remuneration Policy is attached with this report as an **Annexure-V**.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has a Stakeholder Relationship Committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

The Committee as on March 31, 2025 comprises of Mr. Amit Kumar Agarwal (Independent Director), Mr. Devi Dass Agarwal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Stakeholders Relationship Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year under review, the Stakeholder Relationship Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

During the year 1(One) Stakeholders Relationship Committee Meeting was held.

## **RISK MANAGEMENT COMMITTEE**

The Board of Directors has constituted a Risk Management Committee to minimize or mitigate the risk involved in the business activities of the Company.

The Committee as on March 31, 2025 comprises of Mr. Amit Kumar Agarwal (Independent Director), Ms. Devi Dass Agarwal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Risk Management Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year under review, the Risk Management Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

During the year 2 (Two) Risk Management Committee Meetings were held.

## **RISK MANAGEMENT POLICY**

In accordance with Regulation 17(9) of the SEBI (LODR) Regulations, 2015 and Section 134(3) of the Companies Act, 2013, the board members were informed that the Company has a robust Risk Management framework to identify, measure and mitigate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

## **DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES**

During the year under review, we have one subsidiary company i.e. "IFL Finance Limited". In



accordance with Section 129(3) we have prepared the consolidated financial statements of the Company which forms part of this Annual Report.

➤ **Change in name of subsidiary company**

The name of the Company's subsidiary, IFL Housing Finance Limited, was changed to IFL Finance Limited, effective 08th April, 2025, following approval from the Registrar of Companies.

This change was undertaken as part of a strategic initiative to facilitate the conversion of the subsidiary from a Housing Finance Company (HFC) registered with the National Housing Bank to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), in line with applicable regulatory guidelines issued by the Reserve Bank of India.

The conversion process has been successfully completed, and the RBI has issued a Certificate of Registration dated 26th June, 2025, reflecting the subsidiary's new status as an NBFC-ICC.

**PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The performance and financial position of “**IFL Finance Limited**” (Subsidiary) for the financial year 2024-25 are mentioned below:

During the year, IFL Finance Limited reported revenue of Rs.7137.08 Lakhs and profit after tax of Rs. 1812.75 Lakhs as compared to revenue of Rs. 6377.54 Lakhs and profit after tax of Rs. 1215.15 Lakhs in the last year.

The Particulars of Subsidiaries, Associates and Joint Ventures read with Companies (Accounts) Rules, 2014 are attached herewith in Form AOC – 1 as **Annexure-I**.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report.

**PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES**

The Company has entered into any contract and arrangements with related party and complied with the provisions of section 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of Such Contracts and Arrangements are enclosed as **Annexure-II** in Form AOC-2.

The policy on Related Party Transactions is displayed on the website of the Company and the web link is <http://www.indiafinsec.in/investors-info/>.

**CORPORATE GOVERNANCE CERTIFICATE**

The Company believes that the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you “the Shareholders”. The Chairperson and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward



in such a way that it maximizes “Your” long term value. Besides adhering to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company also endeavors to share information with its stakeholders openly and transparently on matters which have a bearing on its economic and reputational interest. The Corporate Governance Report is a part of this Annual report.

A certificate from M/s Sarita Singh & Associates, Practicing Company Secretaries confirming Compliance to the conditions of Corporate Governance as stipulated under Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed to this Annual Report.

## PARTICULARS OF EMPLOYEES

None of the employees of the Company were in receipt of remuneration in excess of limits as prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are mentioned below:

### (A) Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

1. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, Ratio of remuneration of Directors to the Median Remuneration of employees.

| Name of the Director/<br>and KMP | Designation       | Remuneration<br>(Rs. in Lac)<br>2024-25 | Increase<br>(%) | Ratio of<br>Director's<br>Remuneration<br>to Median<br>remuneration<br>including<br>Managing<br>Director |
|----------------------------------|-------------------|---|-----------------|--|
| Mr. Gopal Bansal                 | Managing Director | 0.00                                    | Nil             | 0  |
| Mr. Manoj Kumar Gupta            | CFO               | 12.89                                   | 0.00            | 1.86   |
| Mr. Mukesh Sharma                | Director          | 0.00                                    | 0.00            | 0.00   |
| Ms. Himanshi kashyap             | Director          | 0.00                                    | 0.00            | 0.00   |
| Mrs. Purva Mangal                | Director          | 0.00                                    | 0.00            | 0.00   |
| Mr. Rahul                        | Company Secretary | 0.94                                    | 0.00            | 0.14   |



# No other directors are in receipt of remuneration except sitting fees.

2. Median remuneration of employees of the Company including Managing Director Rs.6,92,190/-for the financial year 2024-25.
3. The Percentage increase in median remuneration of employees (including Managing Director) is Nil.
4. Number of permanent employees on the rolls of the Company: 2 (As at March 31, 2025).
5. Affirmation Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

(B) Statement of particulars of employees pursuant to Rule 5((2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – N.A.

(C) Statement of particulars of employees pursuant to Rule 5(3) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014- N.A.

## **PREVENTION OF SEXUAL HARRASEMENT OF WOMEN AT WORKPLACE**

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review:

- a. Number of complaints of sexual harassment received: Nil
- b. Number of complaints disposed of during the year: Nil
- c. Number of cases pending for more than ninety days: Nil

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3) & (5) of the Act, the Board of Directors confirms that, to the best of its knowledge and belief:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;





- 4) the Directors have prepared the annual accounts on a going concern basis;
- 5) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- 6) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable secretarial standards and that such systems were adequate and operating effectively.

## **PREVENTION OF INSIDER TRADING**

The Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

## **CODE OF CONDUCT**

The Board of Directors has laid down the Code of Conduct which is applicable to members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.indiafinsec.com](http://www.indiafinsec.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## **MATERNITY BENEFIT ACT**

During the year under review, company has complied with all applicable provisions of the Maternity Benefit Act, 1961, as amended from time to time

## **PRUDENTIAL NORMS & DIRECTIONS OF RBI FOR NBFCS**

Your company has complied with all the requirements prescribed by the Reserve Bank of India and has filed the required returns.

## **DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER –SE**

None of the Directors are related to each other.

## **CAUTIONARY NOTE**

The statements forming part of the Board's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the





actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

### **SECRETARIAL STANDARDS**

The Company complies with all applicable secretarial standards.

### **ACKNOWLEDGEMENT**

The Directors express their sincere gratitude to the Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year

For and on behalf of  
**Board of India Finsec Limited**

|                         |                          |                      |
|-------------------------|--------------------------|----------------------|
| <b>Date: 07.07.2025</b> | <b>Sd/-</b>              | <b>Sd/-</b>          |
| <b>Place: Delhi</b>     | <b>Gopal Bansal</b>      | <b>Mukesh Sharma</b> |
|                         | <b>Managing Director</b> | <b>Director</b>      |
|                         | <b>DIN-01246420</b>      | <b>DIN-00274217</b>  |



(Annexure – I)

**Form AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part “A”: Subsidiaries**

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

| Sl. No. | Particulars   | Details             |
|---------|---|---------------------|
| 1.      | Name of the Subsidiary  | IFL Finance Limited |
| 2.      | The date since when subsidiary was acquired   | 17.09.2015          |
| 3.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | -                   |
| 4.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | -                   |
| 5.      | Share Capital   | 8,475.82            |
| 6.      | Reserves & Surplus  | 7,498.48            |
| 7.      | Total Assets  | 36,185.72           |
| 8.      | Total Liabilities   | 20,211.42           |
| 9.      | Investments   | 0                   |
| 10.     | Turnover  | 7,137.08            |
| 11.     | Profit before taxation  | 2,391.91            |
| 12.     | Provision for taxation  | 579.16              |
| 13.     | Profit after taxation   | 1812.75             |
| 14.     | Proposed Dividend   | 0.00                |
| 15.     | Extent of shareholding (in percentage)  | 71.01%              |

**Part “B”: Associates and Joint Ventures: N.A.**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

|   |  |
|---|--|
| <b>Name of Associates/Joint Ventures</b>  |  |
| <b>1. Latest audited Balance Sheet Date</b>                                       |  |
| <b>2. Date on which the Associate or Joint Venture was associated or acquired</b> |  |



|  |  |
|--|--|
| <b>3. Shares of Associate/Joint Ventures held by the company on the year end</b>     |  |
| <b>No.</b>   |  |
| <b>Amount of Investment in Associates/Joint Venture</b>                              |  |
| <b>Extend of Holding (in percentage)</b>   |  |
| <b>4. Description of how there is significant influence</b>                          |  |
| <b>5. Reason why the associate/joint venture is not consolidated</b>                 |  |
| <b>6. Net worth attributable to shareholding as per latest audited Balance Sheet</b> |  |
| <b>7. Profit/Loss for the year</b>   |  |
| <b>i. Considered in Consolidation</b>  |  |
| <b>ii. Not Considered in Consolidation</b>   |  |

For and on behalf of  
Board of India Finsec Limited

Date: 07.07.2025  
Place: New Delhi

Sd/-  
Gopal Bansal  
Managing Director  
DIN-01246420

Sd/-  
Mukesh Sharma  
Director  
DIN-00274217



(Annexure-II)

**Form No. 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 arms length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis**

|  |                |
|--|----------------|
| <b>(a) Name(s) of the related party and nature of relationship</b>   | Not Applicable |
| <b>(b) Nature of contracts/arrangements/transactions</b>   |                |
| <b>(c) Duration of the contracts / arrangements/transactions</b>   |                |
| <b>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</b>                        |                |
| <b>(e) Justification for entering into such contracts or arrangements or transactions</b>                                    |                |
| <b>(f) date(s) of approval by the Board</b>  |                |
| <b>(g) Amount paid as advances, if any:</b>  |                |
| <b>(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188</b> |                |

**2. Details of material contracts or arrangement or transactions at arm's length basis**

(₹ in 000's)

| <b>Name of related party and nature of relationship</b> | <b>Nature of contracts/ arrangements/ transactions</b> | <b>Duration of The Contracts/ arrangements/ transactions</b> | <b>Salient terms of the contracts or arrangements or transaction including the value, if any</b> | <b>Date of Approval by the Board</b> | <b>Amount paid as advances, if any</b> |
|---|--|--|--|--------------------------------------|--|
| <b>IFL Finance Limited, Subsidiary</b>                  | Service charge for Corporate Guarantee                 | 2024-25  | 850.00   | 04.05.2024                           | Nil                                    |
|   | Investment in Equity Shares                            | 2024-25  | 3,47,950.53  | 04.05.2024                           | Nil                                    |
|   | Repayment Received                                     | 2024-25  | 63,900.00  | 04.05.2024                           | Nil                                    |
|   | Loan Given   | 2024-25  | 63,900.00  | 04.05.2024                           | Nil                                    |



|  |                       |         |           |            |     |
|--|-----------------------|---------|-----------|------------|-----|
|  | Expense Paid          | 2024-25 | 480.00    | 04.05.2024 | Nil |
|  | Interest Income       | 2024-25 | 1,412.74  | 04.05.2024 | Nil |
| <b>Mr. Gopal Bansal,<br/>Managing Director</b> | Loan given            | 2024-25 | 9,500.00  | 04.05.2024 | Nil |
|  | Loan received back    | 2024-25 | 9,500.00  | 04.05.2024 | Nil |
| <b>Mrs. Ganga Devi,<br/>Relative of KMP</b>    | Issue of Shares       | 2024-25 | 30,000.00 | 14.02.2025 | Nil |
| <b>Mr. Manoj Kumar<br/>Gupta (CFO)</b>         | Remuneration<br>Given | 2024-25 | 1289.40   | 04.05.2024 | Nil |
| <b>Mr. Rahul,<br/>Company Secretary</b>        | Remuneration<br>Given | 2024-25 | 94.98     | 05.02.2025 | Nil |

For and on behalf of  
**Board of India Finsec Limited**

**Date: 07.07.2025**  
**Place: New Delhi**

**Sd/-**  
**Gopal Bansal**  
**Managing Director**  
**DIN-01246420**

**Sd/-**  
**Mukesh Sharma**  
**Director**  
**DIN-00274217**



## Annexure- III

**FORM MR-3  
SECRETARIAL AUDIT REPORT**(For the financial year ended 31<sup>st</sup> March, 2025)

[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**  
**INDIA FINSEC LIMITED**  
D-16, First Floor, Above ICICI Bank,  
Prashant Vihar, Sector-14, Rohini,  
New Delhi-110085

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIA FINSEC LIMITED (CIN: L65923DL1994PLC060827)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, 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 31<sup>st</sup> day of March, 2025, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a 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 **INDIA FINSEC LIMITED** ("The Company") and as produced before us for the financial year ended on 31<sup>st</sup> Day of March, 2025 (audit period) according to the provisions of:

- I. The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not applicable to the Company during the Audit Period**)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
  - 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, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto



- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(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)**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit period)**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

#### **VI. Other laws applicable to the Company:-**

Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961, The Income Tax Act, 1961, Weekly Holiday Act, 1942, Goods and Services Tax (GST), The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 & amendments thereunder and other laws applicable to the Company as per the representations made by the Company, if any.

Rules, regulations and guidelines issued by the Reserve Bank of India as are applicable Non-Banking Financial Companies; which are specifically applicable to the Company.

#### **We have also examined compliance with the applicable provisions of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto.

We have not examined compliances by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

#### **We further report that:**





The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. There are changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be 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.

Decisions at the Board Meetings, as represented by the management and explanations given to us, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, 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.

**For SARITA SINGH & ASSOCIATES**  
**(Company Secretaries)**

**Sd/-**  
**SARITA SINGH**  
**(Proprietor)**  
**M. No-55937, COP-24682**  
**UDIN- A055937G000690450**

**Date: 07.07.2025**  
**Place: Faridabad**

***\*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**  
**INDIA FINSEC LIMITED**  
D-16, First Floor, Above ICICI Bank,  
Prashant Vihar, Sector-14, Rohini,  
New Delhi-110085

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 to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For SARITA SINGH & ASSOCIATES**  
**(Company Secretaries)**

**Sd/-**  
**SARITA SINGH**  
**(Proprietor)**  
**M. No-55937, COP-24682**  
**UDIN- A055937G000690450**

**Date: 07.07.2025**  
**Place: Faridabad**



## Annexure-IV

**SECRETARIAL AUDIT REPORT****Form No. MR-3****for the Financial Year Ended 31.03.2025**

*[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****IFL FINANCE LIMITED****(CIN: U65910DL2015PLC285284)**

**D-16, 1<sup>st</sup> Floor, Above ICICI Bank, Prashant Vihar,  
Sector-14, Rohini, New Delhi-110085**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IFL FINANCE LIMITED (Formerly known as IFL Housing Finance Limited)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, 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 31<sup>st</sup> day of March, 2025, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a 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 IFL Finance Limited ("The Company") and as produced before us for the financial year ended on 31<sup>st</sup> Day of March, 2025 (audit period) according to the provisions of:

- I. The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; (**Not applicable to the Company during the period under review**)
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**The Company did not have any Foreign Direct Investment during the financial year**);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :(**All the following Regulations including amendments, statutory modification or re-enactment thereto if any, from time to time are not applicable to the Company during the period under review**);



- 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, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

#### **VI. Other laws applicable to the Company:-**

HFC Regulations, 2021, Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, NHB Guidelines, Rules & Regulations issued by RBI as applicable on the Company, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961, The Information Technology Act, 2000, The Income Tax Act, 1961, Weekly Holiday Act, 1942, Goods and Services Tax (GST), The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 & amendments thereunder and other laws applicable to the Company as per the representations made by the Company, if any.

#### **We have also examined compliance with the applicable provisions of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto. **(Not applicable to the Company during the period under review).**

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, 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, Non- Executive Directors and Independent 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 to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, 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.

Decisions at the Board Meetings, as represented by the management and explanations given to us, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that, during the audit period:-**

1. The Company has made an appointment of M/s Sarita Singh & Associates, Practicing Company Secretary Firm, as Secretarial Auditor of the Company for the FY 2024-25 w.e.f. 29<sup>th</sup> April, 2024.
2. The Company has made an appointment of Mr. Lalit Kumar, Chartered Accountant, as Internal Auditor of the Company for the FY 2024-25 w.e.f. 29<sup>th</sup> April, 2024.
3. Due to Pre-occupation, Mr. Lalit Kumar, Chartered Accountant, resigned from the post of Internal Auditor w.e.f. 08<sup>th</sup> April, 2025.
4. The Company has made an appointment of Mrs. Rajni, Chartered Accountant, as Internal Auditor of the Company for the FY 2024-25 in place of Mr. Lalit Kumar w.e.f. 08<sup>th</sup> April, 2025.
5. The Company has increased their Authorised Share Capital from the existing Rs. 70,00,00,000 (Seventy Crore) divided into 7,00,00,000 (Seven Crore) Equity Shares of face value of Rs. 10/- each to Rs. 1,00,00,00,000 (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) Equity Shares of face value of Rs. 10/- each.
6. Ms. Varsha Bharti has resigned from the post of Company Secretary (KMP) & Chief Compliance Officer w.e.f. 20<sup>th</sup> July, 2024.
7. The Company has made appointment of Miss Shivani Jindal as Company Secretary (KMP) w.e.f. 9<sup>th</sup> September, 2024.
8. The Company has change the Designation of Mrs. Sunita Bansal from Whole-time Director to Non-Executive Director w.e.f. 28<sup>th</sup> October, 2024.
9. Mr. Ramesh Bansal has resigned from the post of Independent director w.e.f. 28<sup>th</sup> October, 2024.



10. The Company has offer and issue 47,08,796 Equity shares at Rs. 18.50/- each (Rs. 10/- each face value and premium of Rs. 8.50/- each) by way of Right issue w.e.f. 16<sup>th</sup> January, 2025.
11. The Company has made allotment of 47,08,796 Equity shares at Rs. 18.50/- each (Rs. 10/- each face value and premium of Rs. 8.50/- each) on Right Issue Basis w.e.f. 25<sup>th</sup> January, 2025.
12. The Company has offer and issue 1,41,26,368 Equity shares at Rs. 18.50/- each (Rs. 10/- each face value and premium of Rs. 8.50/- each) by way of Right issue w.e.f. 04<sup>th</sup> February, 2025.
13. The Company has made allotment of 1,41,26,368 Equity shares at Rs. 18.50/- each (Rs. 10/- each face value and premium of Rs. 8.50/- each) on Right issue Basis w.e.f. 15<sup>th</sup> February, 2025.
14. The Company has adopted New Set of Article of Association as per Companies Act, 2013 w.e.f. 18<sup>th</sup> March, 2025.
15. The Company has changed its Object Clause w.e.f. 27<sup>th</sup> March, 2025.
16. The Company has changed its Name from IFL Housing Finance Limited to IFL Finance Limited w.e.f. 08<sup>th</sup> April, 2025.
17. The Company has Converted from Housing Finance Limited to Non-Banking Financial Company-ICC (NBFC-ICC) w.e.f. 26.06.2025.

**For SARITA SINGH & ASSOCIATES**  
**(Company Secretaries)**

**Sd/-**  
**Sarita Singh**  
**(Proprietor)**  
**M. No-55937**  
**COP-24682**  
**UDIN- A055937G000690538**  
**Date: 07.07.2025**  
**Place: Faridabad**

\*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**  
**IFL FINANCE LIMITED**  
**(CIN: U65910DL2015PLC285284)**  
D-16, 1st Floor, Above ICICI Bank, Prashant Vihar,  
Sector-14, Rohini, New Delhi-110085

My 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 to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For SARITA SINGH & ASSOCIATES**  
**(Company Secretaries)**

**Sd/-**  
**Sarita Singh**  
**(Proprietor)**  
**M. No-55937**  
**COP-24682**  
**UDIN- A055937G000690538**

**Date: 07.07.2025**  
**Place: Faridabad**





(Annexure-V)

### **Nomination and Remuneration Policy**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”) read with the Companies Act, 2013 and the Rules framed thereunder, as amended (hereinafter referred as “**Act**”) stipulates for formulation and adoption of policy on nomination and remuneration in relation to directors, key managerial personnel and senior management of a company.

Pursuant to Section 178 (3) of the Act read with Regulation 19 of the Listing Regulations, India Finsec Limited (the “**Company**”) is required to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company (the “**Board**”) a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management; and to align the remuneration of the SMP/key managerial personnel, Directors on the Board and other employees with the longer term interests of the Company.

### **DEFINITION**

- 1) “**Act**” means the Companies Act, 2013 (and the rules framed thereunder).
- 2) “**Board**” means Board of Directors of the Company.
- 3) “**Director**” means a director on the Board of the Company.
- 4) “**Committee**” means the Nomination and Remuneration Committee [of the Company as constituted or re-constituted by the Board.
- 5) “**Company**” or “**The Company**” or “**IFL**” means India Finsec Limited.
- 6) “**Independent Director**” means a Director referred to in Section 149(6) of the Act read with regulation 16(1)(b) of the Listing Regulations
- 7) **Key Managerial Personnel (KMP) means:**
  - a) the Chief Executive Officer or the managing director or the manager, as applicable;
  - b) the Company Secretary;
  - c) the whole-time director;
  - d) the Chief Financial Officer; and
  - e) such other officer as may be prescribed.
- 8) “**Senior Management**” shall mean officers/personnel of the Company who are members of its



core management team excluding the Board and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

- 9) “**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act and/or the Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them in the Act and/or the Listing Regulations.

### **OBJECTIVE**

The objectives of this Policy are set forth below:

- (a) to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (independent, executive and non-executive) and persons who may be appointed as Key Managerial Personnel and Senior Management positions;
- (b) to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (c) to ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- (d) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management personnel and provide necessary report to the Board for further evaluation by the Board; and
- (e) To ensure that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### **CONSTITUTION OF COMMITTEE**

The Board of Directors of the Company (the board) constituted a committee known as “Nomination and Remuneration Committee” consisting of three or more non-executive directors out of which at least two-thirds are independent directors.

### **ROLE OF THE COMMITTEE**

The role of the Committee shall, inter-alia, include the following:



- I. 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;
- II. for every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
- III. devising a policy on diversity of the Board;
- IV. identifying persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- V. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- VI. recommend to the board, all remuneration, in whatever form, payable to senior management.

### **GUIDING PRINCIPLES**

- 1) Laying down criteria and terms and conditions for the identification of persons who are qualified to become Directors (including Independent Directors) and persons who may be appointed in Key Managerial and Senior Management positions and to determine their remuneration.
- 2) Carrying out the evaluation of performance of Directors, Key Management Personnel as well as Senior Management personnel.
- 3) Ensuring that the level and composition of remuneration and the other terms of employment of the Directors, Key Managerial Personnel and Senior Management personnel is reasonable and sufficient to attract, retain and motivate executives of the Company in order to ensure that the Company can attract and retain competent executives.
- 4) Determining remuneration based on Company's size and financial position and trends and practice on remuneration prevailing in the similar industry. When determining the remuneration policy and arrangements for Directors/ KMP's and Senior Management, the Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to



ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

### **COVERAGE**

- 1) Policy on Appointment and Nomination of Directors, Key Managerial Personnel and Senior Management personnel:

#### ***Appointment and removal of director, key managerial personnel and senior management personnel:***

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director and recommend the same to the Board. Key Managerial Personnel other than Managing Director shall be appointed as per the Act. Senior Management personnel shall be appointed as per the Company's policy formulated in this regard.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee shall have authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as a Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

#### ***Term:***

- a) Managing Director/Whole-time Director: The Company shall not appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board and shall be eligible for re- appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time



Director of a listed company or such other number as may be prescribed under the Act.

***Evaluation:***

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management personnel yearly or at such intervals as may be considered necessary.

***Removal:***

The Committee may recommend with reasons to be recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and compliance of the Act and the policy of the Company.

***Retirement:***

The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board shall have the discretion to retain the Director, KMP and Senior Management personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to the provisions of the Act, Listing Regulations and applicable law.

**2) APPOINTMENT CRITERIA AND QUALIFICATIONS:**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Director/SMP/KMP and recommend to the Board his / her appointment.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is being considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- iv. Any appointment made at Senior Management level shall be placed before the meeting of the Board of Directors of the Company.

**3) TENURE OF EMPLOYMENT:**

- i. Managing Director/Whole-time Director



The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### ii. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such an Independent Director shall be eligible for appointment after an expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

#### 4) EVALUATION:

The Committee shall evaluate performance of every Director, KMP and Senior Management personnel at regular period of one year in accordance with the Evaluation Policy of the Company.

#### **POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

##### *Remuneration to Managing Director / Whole-time Directors:*

- a) The Remuneration/ Commission, as applicable, to be paid to Managing Director / Whole- time Directors, etc. shall be governed as per provisions of Act or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) Committee shall make such recommendations to the Board, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

##### *Remuneration to Non- Executive / Independent Directors:*

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Act and the Listing Regulations. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act shall be subject to ceiling/



limits as provided under the Act or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board or the shareholders of the Company, as the case may be.

- c) An Independent Director shall not be eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services rendered are of a professional nature; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

*Remuneration to Key Managerial Personnel and Senior Management:*

- The Remuneration/Compensation/Profit linked Incentive etc. to Directors, Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration/Compensation/Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. Increments if declared to the existing remuneration/compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.





- Increments if declared will be effective from 1st April of each financial year in respect of Managerial Personnel, KMP, Senior Management subject to other necessary approvals from statutory authorities as may be required. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

### **AMENDMENTS TO THE POLICY**

This Policy shall be reviewed by the Committee, as required from time to time. Any changes or modification to the Policy as recommended by the Committee would be placed before the Board for their approval.

### **LIMITATION AND AMENDMENT**

In the event of any conflict between the Act or the SEBI Listing Regulations or any other statutory enactments ("Regulations") and the provisions of this Policy, the Regulations shall prevail over this Policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this Policy.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Ministry of Corporate Affairs, Government of India or any other regulatory authority.

For and on behalf of  
**Board of India Finsec Limited**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN-00274217



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **I. COMPANY OVERVIEW:**

India Finsec Limited (the “Company”) is an NBFC and is engaged in the business of providing various financial services, such as Inter Corporate Deposits, advancing Short term loans, Long term loans, credits to individuals & companies and more. The Company is regulated by the Reserve Bank of India (RBI) under the framework of the RBI Act, 1934. The main objective of the Company is to finance various individuals, corporates, firms, societies and Industrial enterprises by way of making loans and advances in India and to carry out all such activities as may be ancillary to the achievement of main objectives of the Company.

### **INDUSTRY STRUCTURE AND DEVELOPMENT:**

Non-banking financial companies (NBFCs), public and private banks, and financial institutions form the four broad constituents of the credit ecosystem of the Indian financial sector, with NBFCs being a key pillar therein.

NBFCs remain an important constituent of India’s financial sector, and continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have differentiated NBFCs from banks.

Considering the reach and expanse of NBFCs, these entities are well-suited to bridge the financing gap in a large country like India. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians.

The sector has undergone remarkable growth and has established itself as a significant player in the country’s financial landscape. As of FY 2024, the NBFC sector reached an impressive size of US\$ 560 billion, underscoring its influence in the financial domain. Growth in the business of NBFCs is primarily attributed to a substantial increase in the demand for specialised financial services, particularly from Micro, Small, and Medium Enterprises (MSMEs), which typically face challenges in obtaining loans from traditional banks. Moreover, the rise of digitisation has been a driving force behind the NBFC sector’s growth. Adoption of digital platforms has enabled NBFC’s to broaden their customer base, streamline operations, reduce costs and enhance overall customer experience. This transformation is further accentuated by the role of emerging technologies like artificial intelligence, machine learning, robotic process automation and big data.

NBFCs are stronger and more resilient today, and better positioned in almost all operationally critical parameters. Provisioning levels have also increased in the past couple of years, as NBFCs created management overlays to provide for uncertainty pertaining to the pandemic. Overall, the sector has much stronger balance sheets today.

NBFCs also contribute to capital formation in the economy by channelling savings into productive investments. They mobilize funds from various sources and invest them in projects and businesses that require financing. NBFCs indirectly contribute to overall economic growth. Their role in credit intermediation helps in stimulating consumption and investment, leading to economic expansion.

Your Company’s performance for the F. Y. 2024-25 has to be viewed in the context of aforesaid economic and market environment.



## II. OPPORTUNITIES AND THREATS:

The establishment of Non-Banking Financial Companies (NBFCs) in India is driven by various threats and challenges that traditional banking institutions may not be equipped to address adequately. These risks include potential asset-liability mismatches, credit concentration risks, and operational vulnerabilities. As a result, regulatory oversight is crucial to ensure the stability of the NBFC sector and protect the interests of consumers and investors. The Reserve Bank of India (RBI) closely monitors NBFCs and implements prudential regulations to mitigate these risks and promote a robust and resilient financial system in the country.

NBFCs have various ways to grow their business, including obtaining affordable loans from multilateral development banks and using blended finance instruments to access concessional capital. Additionally, NBFCs can transform their operations by utilising digital tools and resources, which not only reduces their environmental impact but also improves governance and resource management. Overall, opportunities and sustainability are important drivers for growth in the NBFC sector and being innovative and ahead of the curve will lead to success in the market.

NBFC creates an opportunity in creating for the Indian financial system, contributing significantly to economic growth, financial inclusion, and credit availability. Following are the areas where NBFC sector played a crucial role in India's overall development over the years:

1. **Credit Penetration and Financial Inclusion:** NBFCs have been instrumental in increasing credit penetration in India, especially in regions and sectors where traditional banks have limited reach. They have been successful in catering to the needs of underserved and unbanked segments of the population, contributing to financial inclusion.
2. **Diverse Financial Products:** NBFCs have introduced innovative and specialized financial products to meet the specific needs of different customer segments. From microfinance for the economically weaker sections to housing finance and vehicle loans, NBFCs have diversified the range of financial services available in the country.
3. **Complementing Banking Sector:** NBFCs complement the role of banks by providing additional channels for credit intermediation. They have been crucial in easing the pressure on the banking sector by taking up certain types of lending and serving niche markets, thereby promoting a more balanced and diversified financial system.
4. **Supporting MSMEs and Infrastructure Development:** NBFCs play a significant role in supporting the growth of Micro, Small, and Medium Enterprises (MSMEs), which are vital contributors to the Indian economy. They also contribute to infrastructure development by financing projects in this sector.
5. **Job Creation:** The growth of the NBFC sector has led to increased employment opportunities in various financial services-related roles. This has a positive impact on the overall economy by generating income and increasing consumer spending.
6. **Enhanced Competition and Innovation:** The presence of NBFCs has spurred healthy competition in the financial sector, leading to innovation in products and services. This benefits consumers as they get access to a broader range of financial products at competitive rates.
7. **Rural and Agricultural Finance:** NBFCs have played a significant role in rural and agricultural finance. They have supported farmers and rural businesses by providing credit and financial services tailored to their needs.

Further, a major threat appears to be on account of further increase in interest rates trends in takes over of loans, which might affect the profitability of the Company. However your Company is confident of facing the challenges and is optimist about the sustenance of this finance segment for quite a long time.



In conclusion, the NBFC sector has significantly contributed to India's overall development by expanding credit access, promoting financial inclusion, supporting economic growth, and offering innovative financial products. Its continued growth and evolution will remain vital for sustaining and strengthening India's financial ecosystem in the future.

### **III. SEGMENT-WISE PERFORMANCE:**

The Company is engaged in a single segment i.e. finance/lending. Details of performance have been provided in this report.

### **IV. OUTLOOK:**

The Non-Banking Financial Company (NBFC) sector is poised for continued expansion in FY 2024–25, driven by strong macroeconomic fundamentals, increased credit demand, and evolving digital infrastructure. With India's GDP projected to grow at a steady pace and a supportive regulatory environment in place, NBFCs are expected to play an increasingly vital role in credit delivery, especially to underserved and unbanked segments of the population.

Credit growth is likely to remain robust in FY 2024–25, led by rising demand for personal loans, MSME financing, and vehicle finance. The sector is expected to cross ₹50 trillion in Assets Under Management (AUM), continuing its momentum from FY 2023–24. The structural shift towards formal credit, aided by digital platforms and partnerships with fintechs, will further enable NBFCs to scale efficiently and improve customer outreach.

Asset quality is expected to remain stable, backed by strengthened risk assessment practices and tighter underwriting norms. The GNPA ratio, which stood at 2.5% at the end of FY 2023–24, is likely to remain under control, though heightened vigilance will be necessary in unsecured consumer segments. Regulatory measures introduced by the Reserve Bank of India in late 2023, including increased risk weights on unsecured lending, are expected to moderate excessive risk-taking and improve the sector's long-term resilience.

The capital position of NBFCs is projected to remain healthy, with CRAR levels well above the regulatory minimum. This will provide sufficient headroom for growth and enable institutions to absorb external shocks if needed.

The sector will also see increasing alignment with banking standards in areas such as liquidity management, governance, and compliance, as regulatory convergence continues under the RBI's scale-based regulation framework. These changes will reinforce sectoral discipline while supporting sustainable growth.

India Finsec Limited views FY 2024–25 as a year of opportunity and consolidation. The Company aims to build on its existing foundation by maintaining a prudent balance between growth and risk. Strategic priorities include enhancing digital capabilities, deepening customer engagement, strengthening internal risk controls, and investing in talent development. With a forward-looking approach and continued regulatory compliance, the Company aspires to improve its operational and financial performance while contributing to the broader objective of financial inclusion.

### **V. RISK MANAGEMENT:**

In view of the growing volatility in the operating environment impacting global businesses on an



unprecedented scale, we are reinforcing the risk management and mitigation mechanism. It is a fundamental aspect of good governance and prudent business practices, contributing to the long-term success and sustainability of the organization.

Incorporating risk management as an integral part of the business strategy requires a systematic approach, involving risk assessments, risk appetite determination, risk monitoring, and periodic reviews. It also necessitates a risk-aware culture where employees at all levels understand their roles in managing risks and are encouraged to report potential issues promptly. Ultimately, effective risk management strengthens a company's resilience and contributes to its long-term success in a dynamic and unpredictable business landscape.

## **VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

## **VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial performance of the Company during the year under reference was reasonably good. For detailed information, please refer to Directors' Report, which forms part of this Annual Report.

## **VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

We recognize people as our most valuable asset and we have built an open, transparent and meritocratic culture to nurture this asset. Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our Organization. Attrition has been managed well and has been below industry benchmarks. India Finsec Limited has kept a sharp focus on employee engagement. We have a strong system of grievance handling too. No concern of our people goes without addressing. We strive for excellence by thriving on our positivity.

For and on behalf of  
**Board of India Finsec Limited**

**Date: 07.07.2025**  
**Place: Delhi**

**Sd/-**  
**Gopal Bansal**  
**Managing Director**  
**DIN-01246420**

**Sd/-**  
**Mukesh Sharma**  
**Director**  
**DIN-00274217**



## **CORPORATE GOVERNANCE REPORT**

In compliance with Regulation 34(3) and Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Company submits the following report:

### **1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Board of Directors believes that it is imperative to manage affairs of the company with the prime objective of maximization of shareholders wealth and other stakeholders of the company. The Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with the Stock Exchange contemplates compliance with the Code of Corporate Governance. The Company conducts its affairs with a blend of the following aspects in their required proportions:

- Prudence
- Transparency
- Accountability
- Impartial treatment for all Stakeholders.
- Operating under the purview of the statute.
- Ethical Practices
- Shareholder’s Wealth Maximization

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the management with strategic direction catering to exigency of long term shareholders value. The Company has fully complied with all the existing regulations prescribed by the Securities Exchange Board of India in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company is committed to good corporate governance which strengthens Board and management accountability and helps build public trust in the Company.

As a part of the compliances of the “**Listing Regulations**” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

### **2. BOARD OF DIRECTORS**

The Board of **India Finsec Limited** comprises of five directors consisting of three Independent Directors (Non-Executive) and one is Managing Director and another one is Non-Executive, Non-Independent Director.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships as on March 31, 2025 are given below:





### Composition and Category of Directors:

- The composition of board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2025 have been made by the Directors.
- Number of directorships and committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2025 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

| Name                          | Designation          | Category               | No. of other Directorships in public listed entities | Attendance at Board Meetings | Number of committee positions held in other Public Companies |               | Attendance at previous AGM |
|-------------------------------|----------------------|------------------------|--|------------------------------|--|---------------|----------------------------|
|                               |                      |                        |  |                              | Memberships  | Chairmanships |                            |
| <b>Mr. Gopal Bansal</b>       | Managing Director    | Executive Director     | -  | Yes                          | 3  | 0             | Yes                        |
| <b>Mr. Mukesh Sharma</b>      | Director             | Non-Executive Director | -  | Yes                          | 0  | 0             | Yes                        |
| <b>Ms. Purva Mangal</b>       | Independent Director | Non-Executive Director | -  | Yes                          | 0  | 0             | Yes                        |
| <b>Mr. Amit Kumar Agarwal</b> | Independent Director | Non-Executive Director | -  | Yes                          | 3  | 3             | Yes                        |
| <b>Mr. Devi Dass Agarwal</b>  | Independent Director | Non-Executive Director | -  | Yes                          | 3  | 0             | Yes                        |

### ➤ Meetings of the Board of Directors

The Board of Directors met 21 (Twenty One) times i.e. 04-05-2024, 29-05-2024, 28-06-2024, 17-07-2024, 13-08-2024, 28-08-2024, 10-09-2024, 18-09-2024, 27-09-2024, 23-10-2024, 06-11-2024, 11-





11-2024, 22-11-2024, 12-12-2024, 03-01-2025, 21-01-2025, 31-01-2025, 05-02-2025, 14-02-2025, 22-03-2025 and 25-03-2025 during the financial year 2024-2025 respectively.

| Name                   | Designation          | Category               | Board Meetings during the period & Attendance at Board Meetings |          |
|------------------------|----------------------|------------------------|---|----------|
|                        |                      |                        | Held  | Attended |
| Mr. Gopal Bansal       | Managing Director    | Executive Director     | 21  | 21       |
| Mr. Mukesh Sharma      | Director             | Non-Executive Director | 21  | 21       |
| Ms. Purva Mangal       | Independent Director | Non-Executive Director | 21  | 18       |
| Ms. Himanshi Kashyap   | Independent Director | Non-Executive Director | 21  | 6        |
| Mr. Amit Kumar Agarwal | Independent Director | Non-Executive Director | 21  | 21       |
| Mr. Devi Dass Agarwal  | Independent Director | Non-Executive Director | 21  | 21       |

- **Disclosure of relationship between director inter-se:** None of the Directors are related to each other.
- **Detail of number of shares and convertible instruments, if any, held by Non-Executive Directors:**

| Name of Non-Executive Director                              | Number of Shares |
|---|------------------|
| Ms. Purva Mangal (Non-Executive Independent Director)       | 0                |
| Mr. Amit Kumar Agarwal (Non-Executive Independent Director) | 36750            |
| Ms. Himanshi Kashyap (Non-Executive Independent Director)   | 0                |
| Mr. Mukesh Sharma (Non-Executive Director)                  | 1292540          |
| Mr. Devi Dass Agarwal (Non-Executive Independent Director)  | 0                |
| <b>Total</b>  | <b>1329290</b>   |

- **Web Link where details of Familiarization Programmes imparted to Independent Directors is disclosed:**

The Company has conducted a familiarization programme for its Independent Directors during the year. The detail of such familiarization programme is available on the web link i.e. <https://www.indiafinsec.in/investors-info/>.

- **Skills/expertise/competence of the Board of Directors**



The Board comprises qualified Members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operations Strategic Planning Industry Experience,
- Technical,
- Research & Development and Innovation Global Business Finance & Legal Corporate Governance,
- Compliance & Risk Management.

#### ➤ **Internal Control**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances.

#### ➤ **Information supplied to the Board**

The Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- Quarterly results of the Company
- Minutes of the Audit Committee and other Committee of the Board of Director
- Details of Agreements entered into by the Company
- Particulars of Non-Compliance of any statutory or Listing requirement
- Information on recruitment or remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

#### ➤ **Minutes of the Board Meeting**

The minutes of the proceedings of every Board and all committee meetings are prepared and approved/initialed by the Chairman within 30 days from the conclusion of the respective meeting.

#### ➤ **Code of Ethics**

The Company has prescribed a code of ethics for its Directors and senior management personnel. A declaration by the Executive Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2024-2025 is given below:

#### ➤ **Declaration – Code of Conduct**



This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2024-2025 as required under “**Listing Regulations**” of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

### 3. BOARD COMMITTEES

The Board of Directors has set up committees of Directors to deal with various matters of specific nature which require concentrated and more focused attention and to arrive at quick and timely decisions in these matters.

The Board of Directors has delegated its certain powers to the committees of Directors and these committees shall exercise such power and give the report of the output to the Board for approval at subsequent meetings. The Board has constituted four committees viz. **Audit Committee, Nomination & Remuneration Committee, Risk Management Committee and Stakeholders Relationship Committee.**

#### ➤ AUDIT COMMITTEE

##### **Terms of Reference:**

The terms of reference of the Audit committee include the following:

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. Overseeing the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. Holding periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the company, internal control systems, scope of audit and observations of auditors.
4. Making recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. Recommendations with respect to appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.
6. Investigating into any matter in relation to items specified in section 177 of the Companies Act, 2013 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. Making recommendations to the Board on any matter relating to the financial management of the Company.



## Composition of Audit Committee

Details of composition of the Audit Committee and attendance of the members at the meetings are given below:

### Meetings of the Audit Committee and Attendance of the Members during 2024-2025

| Name of Member         | Member of Committee since      | Designation | Committee Meetings during the period & Attendance at Committee Meetings |          | No. of shares held in the NBFC |
|------------------------|--------------------------------|-------------|---|----------|--------------------------------|
|                        |                                |             | Held  | Attended |                                |
| Mr. Gopal Bansal       | 30 <sup>th</sup> May 2014      | Member      | 7   | 7        | 4044141                        |
| Mrs. Purva Mangal*     | 03 <sup>rd</sup> October, 2019 | Member      | 7   | 7        | 0                              |
| Mr. Amit Kumar Agarwal | 06 <sup>th</sup> July, 2020    | Chairman    | 7   | 7        | 36750                          |
| Mr. Devi Dass Agarwal* | 31 <sup>st</sup> January, 2025 | Member      | 7   | 0        | 0                              |

*\*Note: The Audit Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.*

During the year, Seven (7) Audit Committee meetings were held as on 04.05.2024, 29.05.2024, 13.08.2024, 28.08.2024, 11.11.2024, 12.12.2024 and 31.01.2025 respectively.

The Company Secretary is the Secretary of the Committee. The Chief Financial Officer, Statutory Auditors and Internal Auditors are invited to attend the meetings.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. During the year all the directors, senior management personnel and other employees complied the vigil mechanism and none of the complaints are received against any directors and employees for any fraudulent dealings. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. The Company has established a Vigil (Whistle Blower) mechanism that provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these



concerns without fear of punishment or unfair treatment. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company [www.indiafinsec.in](http://www.indiafinsec.in).

## ➤ NOMINATION & REMUNERATION COMMITTEE

### Terms of Reference

The Nomination & Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Nomination & Remuneration Policy for employees other than Whole-time Directors as may be recommended to it. The Company has a regular appraisal Policy for all employees.

### Composition

The Nomination & Remuneration Committee of the Company has constituted with three (3) directors and it was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

### Meetings of the Nomination & Remuneration Committee and Attendance of the Members during 2024-2025.

| Name of Member                | Member of Committee since      | Designation | Committee Meetings during the period & Attendance at Committee Meetings |          | No. of shares held in the NBFC |
|-------------------------------|--------------------------------|-------------|---|----------|--------------------------------|
|                               |                                |             | Held  | Attended |                                |
| <b>Mr. Mukesh Sharma</b>      | 14 <sup>th</sup> August, 2017  | Member      | 3   | 3        | 1292540                        |
| <b>Ms. Purva Mangal*</b>      | 03 <sup>rd</sup> October, 2019 | Member      | 3   | 1        | 0                              |
| <b>Mr. Amit Kumar Agarwal</b> | 06 <sup>th</sup> July, 2020    | Chairman    | 3   | 3        | 36750                          |
| <b>Mr. Devi Dass Agarwal*</b> | 31 <sup>st</sup> January, 2025 | Member      | 3   | 2        | 0                              |

*\*Note: The Nomination & Remuneration Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.*

During the year, 3 (Three) Nomination & Remuneration Committee meetings were held as on 10.09.2024, 05.02.2025 and 22.03.2025 respectively.



## Nomination & Remuneration Policy

The remuneration of the Executive Director is fixed by the Nomination & Remuneration Committee as constituted above. The Non-Executive Directors are not paid any remuneration. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.

It also includes:

- (a) attract, recruit, and retain good and exceptional talent;
- (b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) Fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

Non-Executive Directors are only entitled to sitting fees for attending Board and Committee Meetings.

The Company has a Nomination & Remuneration Policy for its directors and senior management personnel under whom Nomination & Remuneration Committee functions and takes decision about the remuneration & perquisites of Directors.

### (a) Details of Remuneration of all the Directors (2024-2025)

| S. No. | Particulars of Remuneration   | Name of MD/WTD |                    |
|--------|---|----------------|--------------------|
|        |   | Gopal Bansal   | Total Amount (Rs.) |
| 1.     | Gross Salary  |                |                    |
|        | (a)Salary as per provisions contained in section17(1) of the Income-taxAct,1961 | 0              | 0                  |
|        | (b)Value of perquisites u/s17(2) of the Income-taxAct,1961                      | 0              | 0                  |
|        | (c)Profits in lieu of salary under section17(3)Income-taxAct,1961               | 0              | 0                  |
| 2.     | Stock Option  | 0              | 0                  |



|    |   |   |   |
|----|---|---|---|
| 3. | Sweat Equity  | 0 | 0 |
| 4. | Commission<br>- as % of profit<br>- others, specify | 0 | 0 |
| 5. | Others, please specify                              | 0 | 0 |
| 6. | Total(A)  | 0 | 0 |

**(b) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2024-2025**

| Name of the Director   | Board Meeting (Rs) | Audit Committee Meeting (Rs) | Nomination & Remuneration Committee Meeting (Rs) | Stakeholders' Relationship Committee Meeting (Rs) | Risk Management Committee (Rs.) | Total (Rs.) |
|------------------------|--------------------|------------------------------|--|---|---------------------------------|-------------|
| Mr. Mukesh Sharma      |                    |                              |  |   |                                 | 0           |
| Mr. Devi Dass Agarwal  |                    |                              |  |   |                                 | 0           |
| Mrs. Purva Mangal      |                    |                              |  |   |                                 | 0           |
| Ms. Himansi Kashyap    |                    |                              |  |   |                                 | 0           |
| Mr. Amit Kumar Agarwal |                    |                              |  |   |                                 | 0           |

There were no pecuniary relationships or transactions of the non-executive director's vis-à-vis the company during the Financial Year ended March 31, 2025.

**Criteria for Performance Evaluation by Nomination Committee**

The Nomination & Remuneration Committee formulated a **Performance Evaluation Policy** for evaluation of performance of the Directors, Key Managerial Personnel and other employees of the Company. This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company.

**➤ STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has Stakeholders Relationship Committee that met regularly to approve share transfers, transmissions, issue of duplicate share certificates, Rematerialization of shares and all other issues pertaining to shares and also to redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Share Transfer Agents.





### Composition as on date

The Stakeholders Relationship Committee of the Company has been constituted with Three Director and it was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

During the year, 1 (One) Stakeholders Relationship Committee meeting was held as on 04.05.2024.

### Composition, meetings of the Stakeholders Relationship Committee and Attendance of the Members during 2024-2025

| Name of Member         | Member of Committee since      | Designation | Committee Meetings during the period & Attendance at Committee Meetings |          | No. of shares held in the NBFC |
|------------------------|--------------------------------|-------------|---|----------|--------------------------------|
|                        |                                |             | Held  | Attended |                                |
| Mr. Gopal Bansal       | 30 <sup>th</sup> May 2014      | Member      | 1   | 1        | 4044141                        |
| Ms. Purva Mangal*      | 03 <sup>rd</sup> October, 2019 | Member      | 1   | 1        | 0                              |
| Mr. Amit Kumar Agarwal | 06 <sup>th</sup> July, 2020    | Chairman    | 1   | 1        | 36750                          |
| Mr. Devi Dass Agarwal  | 31 <sup>st</sup> January, 2025 | Member      | 1   | 0        | 0                              |

*\*Note: The Stakeholders Relationship Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.*

### Compliance Officer

| Name                | Designation                            |
|---------------------|--|
| Ms. Varsha Bharti * | Company Secretary & Compliance Officer |
| Ms. Shivani Jindal* | Company Secretary & Compliance Officer |
| Mr. Rahul*          | Company Secretary & Compliance Officer |

*\* **Note:** Ms. Varsha Bharti resigned from the position of Company Secretary and Compliance Officer with effect from 17th July, 2024. Subsequently, Ms. Shivani Jindal was appointed as the Company Secretary (Key Managerial Personnel) with effect from 10th September, 2024. However, Ms. Shivani Jindal tendered her resignation from the post of Company Secretary and Compliance Officer with effect from 6th November, 2024, citing the provisions of Para 97 of the Master Direction — Reserve Bank of India (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023, which restricts the same individual from holding the position of Key Managerial Personnel in both the Holding and Subsidiary Company. Thereafter, Mr. Rahul was appointed as the Company Secretary (Key Managerial Personnel) with effect from 5th February, 2025.*



### Pending Investors' Complaints

No investor complaints are pending as on the date of Board's Report. The Company does not have any pending share transfers as on the date of Board's Report. The details of number of complaints during the financial year 2024-2025 are mentioned below:

| S. No. | Nature of Queries/ Complaints                         | Pending as on 01.04.2024 | Received during the year | Redressed during the year | Pending as on 31.03.2025 |
|--------|---|--------------------------|--------------------------|---------------------------|--------------------------|
| 1      | Transfer/ Transmission of Duplicate Share Certificate | Nil                      | Nil                      | Nil                       | Nil                      |
| 2      | Non-receipt of Dividend                               | Nil                      | Nil                      | Nil                       | Nil                      |
| 3      | Dematerialization/Rematerialization of Shares         | Nil                      | Nil                      | Nil                       | Nil                      |

### ➤ RISK MANAGEMENT COMMITTEE

The Risk Management Committee constituted by the company is responsible for assessment of all types of risks like credit risk, market risk and operational risk etc and the find the measures to mitigate/ diversified such risks. The Company has a well framed policy for assessment of risks and their precautionary measures. The Risk Management Committee is responsible for submitting its report to the Board of Directors of the Company.

The Risk Management Committee has been constituted with the three directors it was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.

### Meetings of the Risk Management Committee and Attendance of the Members during 2024-2025

| Name of Member         | Member of Committee since      | Designation       | Committee Meetings during the period & Attendance at Committee Meetings |          | No. of shares held in the NBFC |
|------------------------|--------------------------------|-------------------|---|----------|--------------------------------|
|                        |                                |                   | Held  | Attended |                                |
| Mr. Gopal Bansal       | 30 <sup>th</sup> May 2014      | Chairman & Member | 2   | 2        | 4044141                        |
| Ms. Purva Mangal*      | 03 <sup>rd</sup> October, 2019 | Member            | 2   | 1        | 0                              |
| Mr. Amit Kumar Agarwal | 06 <sup>th</sup> July, 2020    | Member            | 2   | 2        | 36750                          |
| Mr. Devi Dass Agarwal* | 31 <sup>st</sup> January, 2025 | Member            | 2   | 1        | 0                              |

*\*Note: The Stakeholders Relationship Committee was reconstituted due to the resignation of Mrs. Purva Mangal (DIN: 02816099), Independent Director of the Company, and the subsequent appointment of Mr. Devi Dass Agarwal in her place.*



During the year, 2 (Two) Risk Management Committee meetings were held as on 12.08.2024 and 31.01.2025.

#### 4. INDEPENDENT DIRECTOR

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at <https://www.indiafinsec.in/>.

#### 5. MEETING OF INDEPENDENT DIRECTOR

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held. The Independent Directors of the Company had met during the year on 22.03.2025 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

#### 6. GENERAL BODY MEETINGS

##### ➤ ANNUAL GENERAL MEETINGS

Details of location, date and time of the Annual General Meetings held during the last three years are given below:

| Day    | Date       | Time       | Venue   | Whether any Special Resolution passed in the Annual General Meeting (Yes/ No) |
|--------|------------|------------|---|---|
| Friday | 30.09.2022 | 09:30 A.M. | D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 | Yes   |
| Monday | 28.08.2023 | 09:30 A.M. | D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 | Yes   |
| Friday | 27.09.2024 | 09:30 A.M. | D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 | Yes   |

##### ➤ EXTRAORDINARY GENERAL MEETINGS

No Extraordinary General Meeting of the Members was held during the year under review.

##### ➤ POSTAL BALLOT

During the year under review, the following special resolution was put through vote by Postal Ballot for seeking approval of members of the Company:



## **Preferential Allotment of up to 42,50,000 Convertible Warrants to the Promoter Group and Non Promoter Category.**

The Postal Ballot Notice dated December 12, 2024 along with necessary statement setting out the material facts under Section 102 of the Act were sent through electronic mail to those members whose names appeared in the Register of Members/ List of Beneficiaries as on 13th December, 2024 and who had registered their email ID with the Company / RTA / Depositories in compliance with the MCA Circulars. The Company has also placed the notice of the Postal Ballot on the website of the Company.

The Members of the Company holding shares as on the cut-off date were entitled to vote on the proposed resolution as set out in the Postal Ballot Notice.

The remote e-voting period remained open from Tuesday, 17th December, 2024, 9:00 A.M. to Wednesday, 15th January, 2025, 5:00 P.M. During the said period, the Members of the Company, holding shares as on the cut-off date were entitled to vote on the resolution set out in the Postal Ballot Notice through remote e-voting.

The Scrutinizer issued the Scrutinizer's Report dated 15.01.2025, confirming that the Special Resolution set out in Item No. 1 of the Postal Ballot Notice was passed by the members through remote e-voting with the requisite majority.

## **7. COMPLIANCE WITH MANDATORY/NON- MANDATORY REQUIREMENTS**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company complied with all mandatory requirements and has adopted non-mandatory requirements as per details given below:

- (a) **The Board:** The Company does not have Non-Executive Chairman.
- (b) **Shareholder's Right:** The quarterly, half yearly and yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchange where the shares of the Company are listed.
- (c) **Modified opinion in Audit Report:** The auditors have provided unmodified report on financial statements. The Company continues to adopt best practices in order to ensure financial statements with unmodified audit opinion.
- (d) **Reporting of Internal Auditor:** The Internal Auditors of the Company report to the Audit Committee.

## **8. DISCLOSURES**

- Transactions of material nature have been entered into by the company with directors or management and their relatives etc. has been enclosed in AOC-2 to the Board Report. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.



- The Company is regular in complying with the requirements of the Stock Exchange, SEBI, RBI and other statutory authorities on all the relevant matters. There were no cases of penalties or strictures imposed on the Company by any Stock Exchange, SEBI, RBI or any other statutory authorities for any violation related to the Capital Market / any other related matter or relating to condition of Licensing by the RBI, during the year.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). **Investment in Subsidiary Company.**
- The Company is in compliance with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has fulfilled the non-mandatory requirements.
- During the reporting period, there were no instances of non-compliance with the provisions of the Companies Act, 2013, including the applicable Rules, Accounting Standards notified under Section 133, and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs. The Company has complied with all applicable requirements in a timely and appropriate manner.
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of Financial Statements.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.
- The Company has well framed Vigil Mechanism/ Whistle Blower Policy and we affirmed that no personnel has been denied access to the Audit Committee.
- The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.
- 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. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable.
- 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. Details relating to fees paid to the Statutory Auditors are given in Note 26 to the Standalone Financial Statements and Note 33 to the Consolidated Financial Statements.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' report.



- The CEO and CFO have given a certificate as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. This certificate is annexed with this Report.
- Compliance certificate from a Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed with this report.
- The requirements of the Audit and other Committees as contemplated in Listing Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with as per the report set above in respect of the same.
  - The Policy for determining ‘material’ subsidiaries is available on the website of the Company and its web link is <https://www.indiafinsec.in/investors-info/>.
  - The Policy on dealing with related party transactions is available on the website of the Company and its web link is <https://www.indiafinsec.in/investors-info/>.
- Disclosure of commodity price risks and commodity hedging activities: The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2020 is not required to be given.

## 9. MEANS OF COMMUNICATION

The Company has published financial results in within time specified i.e. 48 hours as required by the Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been uploaded on the website of the Company i.e. <https://www.indiafinsec.in/investors-info/>. No targeted presentations were made during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 10. MATERIALLY RELATED PARTY DISCLOSURES

Company entered the transactions with related party and the detailed information on materially significant related party transactions are enclosed in AOC-2 to the Board's Report.

## 11. SUBSIDIARY COMPANY

The Company has a material unlisted Subsidiary as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary have been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are placed before the Board of Directors of the Company.

## 12. GENERAL SHAREHOLDER INFORMATION





### Annual General Meeting Schedule

|              |   |
|--------------|---|
| <b>Date</b>  | July 31, 2025 (Thursday)  |
| <b>Time</b>  | 11:30A.M.   |
| <b>Venue</b> | D-16, First Floor, Prashant Vihar,<br>Sector-14, Rohini, New Delhi-110085 |

### Date of Book Closure

**Friday, July 25, 2025 to Thursday, July 31, 2025**

### Financial Year

**April 1, 2024 to March 31, 2025**

### Dividend Payment Date

**Not Applicable**

**Name and Address of the Stock Exchange at which the Company's securities are listed**

**BSE Limited**

**Address: PJ Towers, Dalal Street Fort, Mumbai-400001**

**Company has paid the Annual Listing Fee to Bombay Stock Exchange for the Financial Year 2024-25**

**Company has paid the Annual Custodial Fee for the Financial Year 2024-25**

### Stock Code

**BSE Limited- 535667**

**Registrar to an issue and share transfer agents**

**M/s Skyline Financial Services Private Limited**

**D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020**

**Contact No.-011-64732681 to 88**

**Email Id- [admin@skylinerta.com](mailto:admin@skylinerta.com)**

**Address for Correspondence**

**D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

**Contact No. 011-47096097**

**Email- [indiafinsec@gmail.com](mailto:indiafinsec@gmail.com)**

**ISIN:-INE474O01010**

### Share Transfer System

**The Company has delegated the authority to approve shares received for transfer in physical form to M/s Skyline Financial Services Private Limited.**

### Dematerialization of shares and liquidity

**Company has an agreement with M/s Skyline Financial Services Private Limited for dematerialization of shares**

**Outstanding GDR or ADR or warrants or any convertible instruments, conversion date and likely impact on equity**

**Nil**

### Plant Locations

**We have only Registered Office in New Delhi**

**Corporate Secretarial/Investors' Assistance Department**

**Mr. Rahul, Company Secretary of the Company**

### Distribution of Shareholding as on March 31, 2025

| <b>No. of Equity Shares Held</b> | <b>Number of Shareholders</b> | <b>% to Total Numbers</b> | <b>No. of Shares</b> | <b>% to Total Amount</b> |
|----------------------------------|-------------------------------|---------------------------|----------------------|--------------------------|
| <b>(Rs.)</b>                     |                               |                           | <b>(Rs.)</b>         |                          |
| <b>1</b>                         | <b>2</b>                      | <b>3</b>                  | <b>4</b>             | <b>5</b>                 |
| <b>Up To 500</b>                 | 780                           | 84.87                     | 27725.00             | 0.09                     |
| <b>501 To 1000</b>               | 14                            | 1.52                      | 11727.00             | 0.04                     |





|                 |            |               |                    |               |
|-----------------|------------|---------------|--------------------|---------------|
| 1001 To 2000    | 8          | 0.87          | 10803.00           | 0.04          |
| 2001 To 3000    | 3          | 0.33          | 7800.00            | 0.03          |
| 3001 To 4000    | 3          | 0.33          | 10133.00           | 0.03          |
| 4001 To 5000    | 2          | 0.22          | 9220.00            | 0.03          |
| 5001 To 10000   | 35         | 3.81          | 341809.00          | 1.17          |
| 10000 and Above | 74         | 8.05          | 28772498.00        | 98.56         |
| <b>Total</b>    | <b>919</b> | <b>100.00</b> | <b>29191715.00</b> | <b>100.00</b> |

### Market Price Data

| Month  | Open   | High   | Low    | Close  | No of Shares | No of Trades | Total Turnover | Deliverable Quantity | % Deliverable Qty to Traded Qty | * Spread H-L | * Spread C-O |
|--------|--------|--------|--------|--------|--------------|--------------|----------------|----------------------|---------------------------------|--------------|--------------|
| Apr 24 | 90.00  | 99.17  | 77.00  | 99.00  | 10,676       | 156          | 9,35,041       | 10,444               | 97.83                           | 22.17        | 9.00         |
| May 24 | 100.98 | 112.87 | 96.57  | 107.50 | 15,379       | 363          | 16,61,833      | 14,063               | 91.44                           | 16.30        | 6.52         |
| Jun 24 | 108.60 | 149.65 | 105.60 | 134.25 | 16,941       | 420          | 22,16,436      | 16,186               | 95.54                           | 44.05        | 25.65        |
| Jul 24 | 134.25 | 140.10 | 126.15 | 136.00 | 19,701       | 272          | 25,71,781      | 19,701               | 100.00                          | 13.95        | 1.75         |
| Aug 24 | 133.95 | 146.00 | 128.00 | 145.90 | 10,560       | 255          | 14,34,513      | 10,560               | 100.00                          | 18.00        | 11.95        |
| Sep 24 | 145.90 | 155.00 | 130.60 | 145.10 | 14,732       | 259          | 20,89,996      | 13,736               | 93.24                           | 24.40        | -0.80        |
| Oct 24 | 145.10 | 179.95 | 115.55 | 141.50 | 18,547       | 364          | 26,73,348      | 14,828               | 79.95                           | 64.40        | -3.60        |
| Nov 24 | 143.60 | 198.95 | 132.00 | 150.40 | 58,843       | 1,202        | 94,10,226      | 39,550               | 67.21                           | 66.95        | 6.80         |
| Dec 24 | 150.40 | 166.75 | 128.30 | 149.95 | 10,790       | 386          | 15,80,787      | 9,435                | 87.44                           | 38.45        | -0.45        |
| Jan 25 | 150.10 | 190.00 | 129.50 | 150.45 | 7,070        | 367          | 10,94,392      | 5,110                | 72.28                           | 60.50        | 0.35         |
| Feb 25 | 170.00 | 180.00 | 127.45 | 145.30 | 15,930       | 277          | 23,89,669      | 14,861               | 93.29                           | 52.55        | -24.70       |
| Mar 25 | 150.00 | 188.90 | 132.35 | 148.50 | 8,383        | 279          | 12,38,212      | 6,712                | 80.07                           | 56.55        | -1.50        |

For and on behalf of  
**Board of India Finsec Limited**

Date: 07.07.2025  
Place: New Delhi

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN-00274217



**AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE**  
***[Pursuant to Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]***

**To**  
**The Members of**  
**India Finsec Limited**

I have examined all the relevant records of **M/s India Finsec Limited having CIN L65923DL1994PLC060827 (the Company)** for the purpose of certifying the compliance of the conditions of Corporate Governance as stipulated under Regulation 17 to 27 Clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period commencing from April 01, 2024 and ended on March 31, 2025. I have obtained all the information and explanations which are to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of various provisions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I further state that such compliance 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 SARITA SINGH & ASSOCIATES**  
**Company Secretaries**

**Date: 07.07.2025**  
**Place: Faridabad**  
**UDIN: A055937G000690384**

**Sd/-**  
**Sarita Singh**  
**Proprietor**  
**M. No. 55937, CP No. 24682**



**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  
India Finsec Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s India Finsec Limited having CIN L65923DL1994PLC060827** and having registered office at D-16, 1<sup>st</sup> Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 (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](http://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 31<sup>st</sup> March, 2025 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, the Reserve bank of India or any such other Statutory Authority.

| <b>S. No.</b> | <b>Name of Director</b> | <b>Designation</b>                         | <b>DIN</b> | <b>Date of Appointment</b> |
|---------------|-------------------------|--|------------|----------------------------|
| 1.            | Mr. Gopal Bansal        | Managing Director                          | 01246420   | 16.01.2021                 |
| 2.            | Mr. Mukesh Sharma       | Non-Executive Director                     | 00274217   | 14.08.2017                 |
| 3.            | Ms. Purva Mangal        | Additional Director (Independent Director) | 02816099   | 22.03.2025                 |
| 4.            | Mr. Devi Dass Agarwal   | Independent Director                       | 09152596   | 01.07.2021                 |
| 5.            | Mr. Amit Kumar Agarwal  | Independent Director                       | 08768575   | 06.07.2020                 |

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

**For M/S SARITA SINGH & ASSOCIATES**  
**Company Secretaries**

**Date: 07.07.2025**  
**Place: Faridabad**  
**UDIN: A055937G000690230**

**Sd/-**  
**Sarita Singh**  
**Proprietor**  
**M. No. 55937, CP No. 24682**



**CHAIRMAN'S DECLARATION ON CODE OF CONDUCT**

**To,  
The Members of  
India Finsec Limited  
New Delhi**

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz. [www.indiafinsec.com](http://www.indiafinsec.com).

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2025.

For and on behalf of  
**Board of India Finsec Limited**

**Date: 07.07.2025  
Place: New Delhi**

**Sd/-  
Gopal Bansal  
Chairman & Managing Director  
DIN-01246420**



### **CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, undersigned, in the capacities as Managing Director & Chief financial officer of India Finsec Limited (“the Company”), to the best of knowledge and belief certify that:

- (a) We have reviewed Audited financial results for the quarter and year ended March 31<sup>st</sup>, 2025 and that to the best of our knowledge and belief we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the quarter and year ended March 31<sup>st</sup>, 2025 which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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 internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (e) Based on our recent evaluation, we have indicated to the auditors and the Audit committee:
  - i. That there are no significant changes in internal control over financial reporting during the quarter;
  - ii. That there are no significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial results; and
  - iii. That no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

**For India Finsec Limited**

**Place: New Delhi**  
**Date: 22.05.2025**

**Sd/-**  
**Gopal Bansal**  
**(Managing Director)**  
**DIN: 01246420**

**Sd/-**  
**Manoj Kumar Gupta**  
**(Chief Financial Officer)**  
**PAN: AEUPG8308R**



## INDEPENDENT AUDITORS' REPORT

**To the Members of India Finsec Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

### Opinion

We have audited the Standalone Ind AS financial statements of **India Finsec Limited** ('the company') which comprise the balance sheet as at **March 31, 2025**, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 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 Standalone Ind AS Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon. We have determined the matters described below to be the key audit matters to be communicated in our report.



|    | Key Audit Matters  | Auditor's response   |
|----|--|--|
| 1. | <p><u>Loans and advances: -</u></p> <p>Loans are to be disclosed at Amortised Cost using Effective Interest Method prescribed under Ind AS 109 on 'Financial Instruments'.</p> <p>We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.</p>  | <p>Our audit procedure inter- alia includes the following: -</p> <ol style="list-style-type: none"> <li>1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year.</li> <li>2. We evaluated the control environment of levying the processing fees on significant loans advanced by the company and is treatment in the books of accounts in accordance with Ind AS 109.</li> <li>3. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company.</li> <li>4. We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.</li> </ol> |
| 2. | <p><u>Compliance of RBI directions and circulars:</u></p> <p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As Company is an NBFC, it is the responsibility of Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p> | <p>Our audit procedure inter- alia includes the following: -</p> <p>We have reviewed the conditions for prudential norms prescribed by the RBI including:</p> <ol style="list-style-type: none"> <li>a) Hold impairment allowance as required by IND AS in parallel with existing prudential norms on IRACP on loan advanced.</li> <li>b) Transfer of 20% profit to reserve maintain under section 45-IC of the RBI Act.</li> <li>c) To comply with the Net owned fund requirement of Rs 5 Crores by March 2025 vide Notification no DOR.CRE.060.CGM 2022.</li> </ol>  |

### Emphasis of Matter

1. Attention is drawn to Note no 16 of Notes to financial statement "During the year on 14 February 2025 the company has allotted 42,50,000 equity shares of Rs 10/- each, consequent to conversion of equal number warrants issued during the year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non-promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018".





2. Attention is drawn to Note no 37 of Notes to financial statements “On 15 April 2025 the company has intimated to stock exchange vide board resolution dated 15 April 2025 that the company has decided to surrender the NBFC-ICC certificate of Registration to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC.

Our audit report is not qualified in respect of above matters.

### **Information Other than the Standalone Ind AS Financial Statements and Auditor’s Report Thereon**

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

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS 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 standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



The Company has not paid any remuneration to its Managing Director.

- (h) The matter described in the Emphasis of matter paragraph above, in our opinion may not have an adverse effect on functioning of the company.
- (i) 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 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
 (ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
 (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
  - v) The Company has not declared or paid any dividend during the year.
  - vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31,2025 is as follows:
    - Based on our examination, which included test checks, the company has used



accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software systems. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for the record retention.

**For Ajay Rattan & Co.  
Chartered Accountants  
Firm Registration No.012063N**

**Sd/-**  
**CA. Varun Garg**  
**Partner**  
**Membership No. 523588**  
**UDIN: 25523588BMJMMP2702**

**Place: New Delhi**  
**Dated: 22/05/2025**



## **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31, 2025:

We report that:

### **1) Property Plant and Equipment and Intangible Assets**

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The company does not have any intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date.
- e) The company has not revalued its Property, Plant and Equipment during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

### **2) Inventories**

- a) The company does not have any inventory and hence reporting under clause (ii) paragraph 3 of the order is not applicable.
- b) The company has not been sanctioned working capital limits on the basis of security of current assets. Therefore the requirement of point (b) is not applicable.

### **3) Investments, Guarantee/Security, Loan and Advance**

- a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has not made any investments during the year ,however the company has provided financial guarantee to the subsidiary company that is not prejudicial to the interest of the company.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
- d) The company does not have any amount overdue for more than ninety days. Accordingly, the provisions of clause 3(iii)(d) of the Order are not applicable to the Company and hence not commented upon.
- e) The principal business of the company is to give loans, thus clause(iii)(e) is not applicable to the company.
- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or



without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

#### **4) Compliance of Provisions of Section 185 and 186.**

In our opinion and according to the information and explanation given to us, the company has not given loans, investments and securities covered under section 185 and 186 of the Companies Act, 2013 except financial guarantee given to the subsidiary during the year.

#### **5) Public Deposits**

In our opinion and according to the information and explanation given to us, the company has not accepted public deposits and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable to the company. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

#### **6) Cost Records**

According to the information and explanation given to us, the government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the services of the company.

#### **7) Statutory Dues**

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are disputed amounts payable in respect of income tax as on March 31, 2025 for a period of more than six months from the date they became payable.

#### **8) Unrecorded Income**

Based upon the audit procedures performed and the information and the explanations given by the management, there are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

#### **9) Repayment Of Dues**

Based upon the audit procedures performed and according to information and explanations given to us:

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit;
- b) The company has not been declared a wilful defaulter by any bank or financial institution or





other lender.

- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) The company has not utilized any loan raised for short term purpose for long term purposes.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. The company does not hold any securities in any associates or joint venture.

#### **10) Application Of Money Raised by Public Issue and Preferential Allotment**

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
- b) The Company during the year has made preferential allotment of 42,50,000 warrants of Rs 10/- each fully convertible into equity shares and the requirements of section 42 and section 62 of companies Act have been complied with and the funds raised have been used for the purpose.

#### **11) Fraud**

Based upon the audit procedures performed and the information and explanations given by the management:

- a) No fraud on or by the company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been received during the year by the company.

#### **12) Nidhi Company**

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

#### **13) Transaction With Related Parties**

In our opinion, all the transactions with related parties are in accordance with section 177 and 188 of the Companies Act, 2013. Details have been properly disclosed in Ind AS financial statements as required by applicable accounting standards.

#### **14) Internal Audit System**

- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.



### 15) Non-Cash Transaction with Director

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

### 16) Registration With RBI

- a) According to the information and explanations given to us, the company is a Non-Banking Financial Company and registered under section 45-IA of the Reserve Bank of India Act, 1934 as at 31 March 2025.
- b) According to information and explanations given to us, the company has conducted Non-Banking Financial activities with a valid certificate as per the Reserve Bank of India Act, 1934;
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- d) The Group does not have any CIC as part of the Group.

Read the above points 16 (a) to (d) with Note no 37 of Notes to financial statements.

### 17) Cash Losses

The company has not incurred cash loss in the Current and in the immediately preceding financial year.

### 18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditor. Accordingly, clause (xviii) of Para 3 of the order is not applicable.

### 19) Existence Of Material Uncertainty as To Company Ability to Meet Its Liabilities

As per our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date

### 20) Transfer Of Unspent CSR Amount

According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified under section 135 read with schedule VII of Companies Act are not applicable upon the company.



**21) Qualifications Or Adverse Remarks in Caro Reports of Group Companies**

This clause shall be dealt with in the consolidated auditor's report.

**For Ajay Rattan & Co.  
Chartered Accountants  
Firm Registration No.012063N**

**Sd/-  
CA. Varun Garg  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMP2702**

**Place: New Delhi  
Dated: 22/05/2025**



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of India Finsec Limited the year ended March 31, 2025**

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

We have audited the internal financial controls over financial reporting of **India Finsec Limited** (“the Company”) as of **March 31, 2025** in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS



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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

**For Ajay Rattan & Co.**  
**Chartered Accountants**  
**Firm Registration No.012063N**

**Sd/-**  
**CA. Varun Garg**  
**Partner**  
**Membership No. 523588**  
**UDIN: 25523588BMJMMP2702**

**Place: New Delhi**  
**Dated: 22/05/2025**



**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
**STANDALONE BALANCE SHEET AS AT 31 MARCH 2025**

|   |       | (₹ In '000')       |                    |
|---|-------|--------------------|--------------------|
| Particulars                             | Notes | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>I. ASSETS</b>                        |       |                    |                    |
| <b>Financial assets</b>                 |       |                    |                    |
| Cash and cash equivalents               | 5     | 7,296.15           | 3,783.85           |
| Receivables                             |       | -                  | -                  |
| Loans                                   | 6     | -                  | 3,601.16           |
| Investments                             | 7     | 775,688.38         | 427,737.85         |
| Other financial asset                   | 8     | 480.00             | -                  |
| <b>Non-financial assets</b>             |       |                    |                    |
| Current tax assets (net)                | 9     | 3,019.37           | 2,083.71           |
| Deferred tax assets (net)               | 10    | 154.16             | 175.88             |
| Property, Plant & Equipment             | 11    | 291.24             | 281.15             |
| Other non financial assets              | 12    | 72.96              | 19,460.59          |
| <b>Total Assets</b>                     |       | <b>787,002.26</b>  | <b>457,124.19</b>  |
| <b>II. LIABILITIES</b>                  |       |                    |                    |
| <b>Financial liabilities</b>            |       |                    |                    |
| Borrowings (other than debt securities) | 13    | -                  | 7,800.00           |
| Other financial liabilities             | 14    | 657.30             | 2,288.82           |
| <b>Non-financial liabilities</b>        |       |                    |                    |
| Other non financial liabilities         | 15    | 68.93              | 344.37             |
| <b>III. EQUITY</b>                      |       |                    |                    |
| Equity share capital                    | 16    | 291,917.15         | 249,417.15         |
| Other equity                            | 17    | 494,358.88         | 197,273.85         |
| <b>Total Liabilities and Equity</b>     |       | <b>787,002.26</b>  | <b>457,124.19</b>  |

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.

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This is the balance sheet referred to in our report of even date.

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
**Firm Registration No. 012063N**

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMP2702

Place: New Delhi  
Date: 22-05-2025

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800





**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025**

| Particulars  | Notes | For the year ended<br>31 Mar 25 | For the year ended<br>31 Mar 24 |
|--|-------|---------------------------------|---------------------------------|
| (₹ In '000')   |       |                                 |                                 |
| <b>Revenue from operations</b>   |       |                                 |                                 |
| Interest Income  | 18    | 1,804.08                        | 3,599.97                        |
| Dividend Income  |       | -                               | -                               |
| Fees and commission income   | 19    | 850.00                          | 500.00                          |
| Sale of service  |       | -                               | -                               |
| Income from shares & securities  | 20    | -                               | 11.94                           |
| <b>Total Revenue from operations</b>   |       | <b>2,654.08</b>                 | <b>4,111.92</b>                 |
| <b>Other income</b>  | 21    | 5,132.64                        | 4.88                            |
| <b>Total Income (I)</b>  |       | <b>7,786.71</b>                 | <b>4,116.80</b>                 |
| <b>Expenses</b>  |       |                                 |                                 |
| Finance costs  | 22    | 885.21                          | 702.00                          |
| Impairment of financial instruments  | 23    | -                               | 1.31                            |
| Employee benefit expenses  | 24    | 2,523.24                        | 2,042.24                        |
| Depreciation, amortization and impairment                                    | 25    | 78.04                           | 61.33                           |
| Other expenses   | 26    | 3,673.80                        | 1,029.69                        |
| <b>Total Expense (II)</b>  |       | <b>7,160.29</b>                 | <b>3,836.56</b>                 |
| <b>Profit/ (loss) before exceptional items and tax (I-II)</b>                |       | <b>626.43</b>                   | <b>280.23</b>                   |
| Exceptional items  |       | -                               | -                               |
| <b>Profit/ (loss) before tax</b>   |       | <b>626.43</b>                   | <b>280.23</b>                   |
| <b>Tax Expense</b>   |       |                                 |                                 |
| Current tax  | 27    | 138.53                          | 48.14                           |
| Deferred tax   |       | 21.72                           | 18.39                           |
| Tax adjustment for earlier years   |       | 455.23                          | 12.75                           |
| <b>profit for the year from continuing operations</b>                        |       | <b>10.95</b>                    | <b>200.94</b>                   |
| <b>Profit/ (loss) after tax (III)</b>  |       | <b>10.95</b>                    | <b>200.94</b>                   |
| <b>Other Comprehensive Income</b>  |       |                                 |                                 |
| Items that will not be reclassified to profit or loss                        |       |                                 |                                 |
| - Equity instrument through other comprehensive income- gain/ (loss)         |       | -                               | -                               |
| Income tax relating to items that will not be reclassified to profit or loss |       | -                               | -                               |
| <b>Total Other Comprehensive Income (IV)</b>                                 |       | <b>-</b>                        | <b>-</b>                        |
| <b>Total Comprehensive Income (III+IV)</b>                                   |       | <b>10.95</b>                    | <b>200.94</b>                   |
| <b>Earning per equity share (face value ₹ 10/- per equity share)</b>         |       |                                 |                                 |
| Basic (Amount in ₹)  | 28    | 0.00                            | 0.01                            |
| Diluted (Amount in ₹)  | 28    | 0.00                            | 0.01                            |

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.

1-43

This is the balance sheet referred to in our report of even date.

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
Firm Registration No. 012063N

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN:25523588BMJMMP2702

Place: New Delhi  
Date: 22-05-2025

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800





**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR**  
**ENDED 31 MARCH 2025**

|   | (₹ In '000')                    |
|---|---------------------------------|
| Particulars   | For the year ended<br>31 Mar 25 |
| For the year ended<br>31 Mar 24                         |                                 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>              |                                 |
| Net profit/ (loss) before tax and exceptional items     | 626.43                          |
| Adjustments for items: -                                | 280.23                          |
| Depreciation & amortization expense                     | 78.04                           |
| Interest income   | -                               |
| Finance costs   | -                               |
| Impairment of Financial instruments                     | (10.29)                         |
| Dividend not recovered                                  | 9.00                            |
| Income tax of previous year                             | (452.88)                        |
| Commission income                                       | -                               |
| Dividend received                                       | -                               |
| Income tax expense                                      | -                               |
| interest not recovered                                  | -                               |
| GST reversal  | -                               |
| Operating profit before working capital changes         | 250.31                          |
| Working capital adjustments: -                          | 281.97                          |
| (Increase)/ decrease in trade receivables               | -                               |
| (Increase)/ decrease in loans                           | 3,601.16                        |
| (Increase)/ decrease in other financial assets          | (480.00)                        |
| (Increase)/ decrease in other non-financial assets      | 19,387.63                       |
| Increase/ (decrease) in other financial liabilities     | (1,631.52)                      |
| Increase/ (decrease) in other non-financial liabilities | (275.44)                        |
| Increase/ (decrease) in current tax asset               | (935.65)                        |
| Cash generated from operations                          | 19,916.50                       |
| Less: Direct taxes paid/(refund)                        | 138.53                          |
| Net cash flow from operating activities ( A )           | 19,777.97                       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>              |                                 |
| Commission income                                       | -                               |
| Purchase of property, plant & equipments                | (88.14)                         |
| Sale of property, plant & equipments                    | -                               |
| Impairment of Financial instruments                     | -                               |
| Interest Income   | -                               |
| Dividend Income   | -                               |
| (Purchase) of investments                               | (348,450.53)                    |
| Sale of investments                                     | 500.00                          |
| Net cash flow from investing activities ( B )           | (348,038.67)                    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>              |                                 |
| Net proceeds from borrowings                            | (7,800.00)                      |
| Share issue expenses                                    | (427.00)                        |
| Finance Cost  | -                               |
| Issue of equity shares                                  | 42,500.00                       |
| Share premium   | 297,500.00                      |
| Net cash flow from financing activities ( C )           | 331,773.00                      |
| Net cash flow during the year (A + B + C)               | 3,512.29                        |
| Add: Opening cash and cash equivalents                  | 3,783.85                        |
| Closing cash and cash equivalents                       | 7,296.14                        |
| <b>Components of cash and cash equivalents</b>          |                                 |
| Cash on hand  | 7,265.55                        |
| Balances with bank in current accounts                  | 30.60                           |
| Total cash and cash equivalents                         | 7,296.15                        |

**Notes:-**

- The above statement of cash flow has been prepared under the 'Indirect Method' as set out in IndAS 7 - 'Statement of Cash Flows'.
- Direct taxes paid is treated as arising from operating activities and is not bifurcated between investing and financing activities.
- Since the Company is a loan company, purchase and sale of investments have been considered as part of "Cash flow from investing activities" and interest earned on loans have been considered as part of "Cash flow from operating activities".
- Summary of material accounting policies and accompanying notes form an integral part of these financial statements.

1-43

This is the balance sheet referred to in our report of even date.

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
Firm Registration No. 012063N

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMP2702

Place: New Delhi  
Date: 22-05-2025

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800



INDIA FINSEC LIMITED  
CIN: L65923DL1994PLC060827

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2025

(₹ In '000')

**Equity share capital:-**

**I. Current reporting period**

| Balance at the 1st April 2024 | Change in equity share capital due to prior period errors | Restated balance at the 1st April 2024 | Changes in equity share capital during the current year | Balance at the 31st March, 2025 |
|-------------------------------|---|--|---|---------------------------------|
| 249,417.15                    | -   | -                                      | 42,500.00   | 291,917.15                      |

**II. Previous reporting period**

| Balance at the 1st April 2023 | Change in equity share capital due to prior period errors | Restated balance at the 1st April 2023 | Changes in equity share capital during the current year | Balance at the 31st March, 2024 |
|-------------------------------|---|--|---|---------------------------------|
| 249,417.15                    | -   | -                                      | -   | 249,417.15                      |

**Other equity:-**

**I. Current reporting period**

| Particulars                           | Reserve & Surplus  |  |                   | Equity instruments through OCI | Total      |
|---------------------------------------|--------------------|--|-------------------|--------------------------------|------------|
|                                       | Securities Premium | Statutory Reserve (U/s 45-IC of the RBI Act, 1934) | Retained Earnings |                                |            |
| Balances as at 1st April 2024         | 161,081.05         | 8,875.24   | 27,317.56         | -                              | 197,273.85 |
| Prior period error                    | -                  | -  | 1.07              | -                              | 1.07       |
| Restated balance as at 1st April 2024 | 161,081.05         | 8,875.24   | 27,318.63         | -                              | 197,274.92 |
| Profit/(loss)                         | -                  | -  | 10.95             | -                              | 10.95      |
| Share issued at premium               | 297,500.00         | -  | -                 | -                              | 297,500.00 |
| Expenses of share issue               | 427.00             | -  | -                 | -                              | 427.00     |
| Other comprehensive income            | -                  | -  | -                 | -                              | -          |
| Total Comprehensive Income            | -                  | -  | 10.95             | -                              | 10.95      |
| Appropriation to reserves             | -                  | 2.19   | (2.19)            | -                              | -          |
| Balance as at 31st March 2025         | 458,154.05         | 8,877.43   | 27,327.40         | -                              | 494,358.88 |

**II. Previous Reporting Period**

| Particulars  | Reserve & Surplus  |  |                   | Equity instruments through OCI | Total      |
|--|--------------------|--|-------------------|--------------------------------|------------|
|  | Securities Premium | Statutory Reserve (U/s 45-IC of the RBI Act, 1934) | Retained Earnings |                                |            |
| (I) Balances as at 1st April 2023                  | 161,081.05         | 8,835.05   | 27,156.81         | -                              | 197,072.91 |
| (II) Prior period error                            | -                  | -  | -                 | -                              | -          |
| (III) Restated balance as at 1st April 2023 (I+II) | 161,081.05         | 8,835.05   | 27,156.81         | -                              | 197,072.91 |
| (IV) Profit/(loss) for the year                    | -                  | -  | 200.94            | -                              | 200.94     |
| (V) Other comprehensive income (net)               | -                  | -  | -                 | -                              | -          |
| (VI) Total Comprehensive Income (IV+V)             | -                  | -  | 200.94            | -                              | 200.94     |
| (VII) Appropriation to reserves                    | -                  | 40.19  | (40.19)           | -                              | -          |
| (VIII) Balance as at 31st March 2024 (III+VI+VII)  | 161,081.05         | 8,875.24   | 27,317.56         | -                              | 197,273.85 |

Summary of material accounting policies and accompanying notes form an integral part of these financial statements. 1-43

This is the balance sheet referred to in our report of even date.

FOR AJAY RATTAN & CO.  
Chartered Accountants  
Firm Registration No. 012063N

For and on behalf of the Board of Directors of  
INDIA FINSEC LIMITED

Sd/-  
CA. Varun Garg  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMP2702

Sd/-  
Gopal Bansal  
Managing Director  
DIN: 01246420

Sd/-  
Mukesh Sharma  
Director  
DIN: 00274217

Place: New Delhi  
Date: 22-05-2025

Sd/-  
Manoj Kumar Gupta  
CFO  
PAN: AEUPG8308R

Sd/-  
Rahul  
Company Secretary  
Membership No.: 73800





INDIA FINSEC LIMITED  
CIN:L65923DL1994PLC060827

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### NOTE 1

#### 1. Corporate Information:

India Finsec Limited was incorporated on 10th day of August 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non- Banking Finance Company in India. The Company is listed on Bombay stock exchange. (INE474001010).

### NOTE 2

#### 2. Basis for preparation of Standalone Financial Statements:

##### (a) Compliance with Ind AS

These Standalone Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto & the Companies Act, 2013.

##### (b) Basis of measurement/ Use of estimate

(i) The Financial Statements are prepared on going concern and accrual basis under the historical cost convention.

(ii) The preparation of Standalone Financial Statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the Standalone Financial Statements and the reported amount of revenues and expenses during the reporting period.

##### (c) New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter

The Company has adopted certain new accounting standards and amendments effective from April 1, 2024. Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Company's financial statements as the Company has not entered into any insurance contracts.

Further, an amendment to Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. Since the Company has not undertaken any such transactions, the amendment did not affect its financial statements. As of the reporting date, there are no new standards that have been notified but are not yet effective.

(d) **Recent Accounting Pronouncements:** During the year no new standard or modifications in existing standards have been notified which will be applicable from 1 April 24 or thereafter.

##### (e) Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest thousands (up to two decimals), except as stated otherwise.

### NOTE 3

#### 3. Material Accounting Policies:

A summary of the material accounting policies applied in the preparation of the Standalone Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Standalone Financial Statements.

##### 3.(a) Property plant and equipment (PPE)

###### 1.1. Initial recognition and measurement

Property, plant and equipments ("PPE") are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipments have different useful lives, they are recognized separately.

Spare parts are capitalized when they meet the definition of PPE, i.e. when the Company intends to use these for a period exceeding 12 months.

On transition to IND AS, the Company has elected to continue with the carrying value of all of its PPE recognized, measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.



INDIA FINSEC LIMITED  
CIN:L65923DL1994PLC060827

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 1.2. Depreciation

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

In circumstance, where a PPE is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

| Particulars of Property, Plant & Equipment | Useful life (in years) |
|--|------------------------|
| Furniture                                  | 10                     |
| Motor Vehicle                              | 8                      |
| Office Equipment                           | 5                      |
| Computer                                   | 3                      |

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss. At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

### 3.(b) Revenue recognition:

With Effective 1st April, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

**2.1 Interest Income:** The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and other incomes attributable to acquisition of a financial assets.

**2.2 Dividend:** Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.

**2.3 Other revenue from operations:** The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

### 3.(c) Financial Instruments:

#### 3.1 Financial Assets:-

##### Recognition and initial measurement:-

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost.

##### Subsequent measurement:-

**Equity instrument and Mutual Fund:** - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

**Debt instrument:** - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.





INDIA FINSEC LIMITED  
CIN:L65923DL1994PLC060827

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### De- Recognition of financial Assets: -

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

### Impairment of financial assets: -

The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

### 3.2 Financial Liabilities :-

#### Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost.

#### Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

### De-recognition of financial liabilities

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

### 3.3 Off setting of financial instrument: -

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

### 3.4 Impairment of Financial Assets: -

**Equity instruments, Debt Instruments and Mutual Fund: -** In accordance with Ind-AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for financial assets. 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 Company expects to receive.

**Other Financial Assets: -** The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

### 3.5 Expected Credit Loss (ECL): -

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance on Loans with significant financing component is measured at an amount equal to 12-month ECL. For all other financial assets, expected credit losses are measured at an amount equal to the lifetime 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment gain or loss in condensed consolidated statement of comprehensive income.

### 3.(d) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. 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 if they are considered an integral part of the Company's cash management.





INDIA FINSEC LIMITED  
CIN:L65923DL1994PLC060827

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 3.(e) Taxation

e.1 Current Income tax: Provision for current tax is made as per the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to applicable tax regulations which are subject to interpretation and establishes provisions where appropriate.

e.2 Deferred Tax: Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

### 3.(f) Employee benefits

**Short Term Benefits:** Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 3.(g) Earning per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the Ind AS financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

### 3.(h) Provision, contingent liabilities and contingent assets

**Provision:** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

**Contingent Liability:** Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

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INDIA FINSEC LIMITED  
CIN:L65923DL1994PLC060827

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**NOTE 4**

**4. Major Estimates and Judgments made in preparing Standalone Financial Statements:**

The preparation of the Company's Standalone Financial Statements requires management to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these judgments and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

**4.1 JUDGEMENTS**

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognized in the Standalone Financial Statements:

**Materiality**

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the Standalone Financial Statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

**Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter. In the similar line, management also on the basis of best judgment and estimate determines the net realizable value of the Inventories to make necessary provision.

**4.2 MAJOR ESTIMATES**

The key assumptions concerning the future and other key sources of estimation 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.

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.

**Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

**Income Taxes**

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.





INDIA FINSEC LIMITED  
CIN: L65923DL1994PLC060827

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Particulars                       | ( ₹ in 000's)      |                    |
|-----------------------------------|--------------------|--------------------|
|                                   | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>NOTE 5</b>                     |                    |                    |
| <b>Cash and cash equivalents</b>  |                    |                    |
| Cash on hand (as certified)       | 7,265.55           | 628.76             |
| Balances with banks               | 30.60              | 3,155.09           |
| <b>Total</b>                      | <b>7,296.15</b>    | <b>3,783.85</b>    |
| <b>NOTE 6</b>                     |                    |                    |
| <b>Loans</b>                      |                    |                    |
| <b>At amortised cost</b>          |                    |                    |
| (i) Loans repayable on demand     | -                  | -                  |
| (ii) Term loan                    | -                  | 3,611.45           |
| <b>Total (A)- Gross</b>           | -                  | <b>3,611.45</b>    |
| Less: Impairment loss allowance   | -                  | (10.29)            |
| <b>Total (A)-Net</b>              | -                  | <b>3,601.16</b>    |
| (i) Secured by tangible assets    | -                  | -                  |
| (ii) Secured by intangible assets | -                  | -                  |
| (iii) Unsecured                   | -                  | 3,611.45           |
| <b>Total (B)- Gross</b>           | -                  | <b>3,611.45</b>    |
| Less: Impairment loss allowance   | -                  | (10.29)            |
| <b>Total (B)-Net</b>              | -                  | <b>3,601.16</b>    |
| (I) Loans in India                | -                  | -                  |
| (ii) Public sector                | -                  | -                  |
| (ii) Others                       | -                  | 3,611.45           |
| <b>Total (C) (I)- Gross</b>       | -                  | <b>3,611.45</b>    |
| Less: Impairment loss allowance   | -                  | (10.29)            |
| <b>Total ( C) (I) - Net</b>       | -                  | <b>3,601.16</b>    |
| (II) Loans outside India          | -                  | -                  |
| Less: Impairment loss allowance   | -                  | -                  |
| <b>Total ( C) (II) - Net</b>      | -                  | -                  |
| <b>Total Net (C) (I) and (II)</b> | <b>-</b>           | <b>3,601.16</b>    |

Additional disclosure in respect of loans and advances:-

| Particulars  | As at 31st March 2025      |   | As at 31st March 2024      |   |
|--|----------------------------|---|----------------------------|---|
|  | Amount of loan outstanding | Percentage of the total loan and advances | Amount of loan outstanding | Percentage of the total loan and advances |
| Loans and advances granted to promoters, directors, KMPs and other related parties | Nil                        | Nil                                       | Nil                        | Nil                                       |

**NOTE 7**

**Investments**

**In India**

**Other Investment**

Investment in Debt Instrument (at amortised cost)

Debenture 11.5%

- 500.00

Investment in subsidiary (measured at cost)

In equity instrument of subsidiary at amortised cost  
6,01,85,024 (PY- 4,13,49,860) Equity shares of M/s IFL Finance Limited  
FV Rs 10/- each.

775,688.38 427,237.85

**Total**

**775,688.38 427,737.85**

Aggregate amount of unquoted investments and market value thereof

775,688.38 427,737.85

Aggregate value of impairment in the value of investments

- -

**NOTE 8**

**Other financial assets**

Expenses paid on behalf of Subsidiary

480.00

**Total**

**480.00 -**



## INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Particulars                            | ( ₹ in 000's)      |                    |
|--|--------------------|--------------------|
|  | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>NOTE 9</b>                          |                    |                    |
| <b>Current tax assets</b>              |                    |                    |
| Advance tax and Tax deducted at source | 3,157.89           | 2,131.85           |
| Less: Provision for Tax                | (138.53)           | (48.14)            |
| <b>Total</b>                           | <b>3,019.37</b>    | <b>2,083.71</b>    |

| Particulars  | ( ₹ in 000's)      |                    |
|--|--------------------|--------------------|
|  | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>NOTE 10</b>   |                    |                    |
| <b>Deferred tax assets (net)</b>                               | <b>154.16</b>      | <b>175.88</b>      |
| <b>Deferred tax assets/liabilities arising on account of :</b> |                    |                    |
| Property, plant & equipment                                    | 154.16             | 175.88             |
| Credit/ (charge) to other comprehensive income                 | -                  | -                  |
| <b>Total</b>   | <b>154.16</b>      | <b>175.88</b>      |

## (I) Movement in deferred tax Assets (net)

| Particulars  | 31 Mar 24     | Recognised/<br>reversed through<br>profit and loss | Recognised/ reversed through other<br>comprehensive income | 31 Mar 25     |
|--|---------------|--|--|---------------|
| <b>Deferred tax assets/liabilities arising on account of</b> |               |  |  |               |
| Property, plant & equipment                                  | 173.29        | 19.13  | -  | 154.16        |
| Impairment   | 2.59          | 2.59   | -  | (0.00)        |
| <b>Total</b>   | <b>175.88</b> | <b>21.72</b>                                       | <b>-</b>   | <b>154.16</b> |

|  |               |              |          |               |
|--|---------------|--------------|----------|---------------|
| <b>Deferred tax assets/liabilities arising on account of</b> |               |              |          |               |
| Property, plant & equipment                                  | 194.27        | 20.98        | -        | 173.29        |
| Impairment   | -             | (2.59)       | -        | 2.59          |
| <b>Total</b>   | <b>194.27</b> | <b>18.39</b> | <b>-</b> | <b>175.88</b> |

**NOTE 11****Property, plant & equipment**Carrying amount:-

Office premises (Right of Use asset)

Furniture &amp; fixtures

Vehicles

Office equipments

Computers

|              |                                     |                 |                              |                  |              |
|--------------|-------------------------------------|-----------------|------------------------------|------------------|--------------|
| <b>Total</b> |                                     |                 |                              |                  |              |
|              | <b>291.24</b>                       | <b>281.14</b>   |                              |                  |              |
|              | <b>Furniture<br/>&amp; fixtures</b> | <b>Vehicles</b> | <b>Office<br/>Equipments</b> | <b>Computers</b> | <b>Total</b> |

Cost or Deemed Cost:-

Balance as at 31st March, 2023

Additions during the year

Asset disposed/ written off during the year

Additions during the year

Asset disposed/ written off during the year

Balance as at 31st March, 2025

|               |               |                 |               |                 |
|---------------|---------------|-----------------|---------------|-----------------|
| 825.92        | 513.56        | 1,327.86        | 731.24        | 3,398.58        |
| -             | -             | -               | 39.41         | 39.41           |
| -             | -             | 88.14           | -             | 88.14           |
| -             | -             | -               | -             | -               |
| <b>825.92</b> | <b>513.56</b> | <b>1,416.00</b> | <b>770.65</b> | <b>3,526.13</b> |

Accumulated depreciation:-

Balance as at 31st March, 2023

Charge for the year

Adjusted on assets disposed/ written off

Balance as at 31st March, 2024

Adjusted on assets disposed/ written off

Balance as at 31st March, 2025

|               |               |                 |               |                 |
|---------------|---------------|-----------------|---------------|-----------------|
| 669.07        | 487.41        | 1,252.39        | 686.64        | 3,095.52        |
| 36.30         | 0.47          | 7.08            | 17.48         | 61.33           |
| -             | -             | -               | -             | -               |
| <b>705.37</b> | <b>487.88</b> | <b>1,259.47</b> | <b>704.11</b> | <b>3,156.84</b> |
| <b>733.15</b> | <b>487.88</b> | <b>1,282.21</b> | <b>731.64</b> | <b>3,234.88</b> |

Carrying amount:-



|                                       |               |              |               |              |               |
|---------------------------------------|---------------|--------------|---------------|--------------|---------------|
| Balance as at 31st March, 2022        | 120.55        | 25.68        | 68.39         | 66.53        | 281.14        |
| <b>Balance as at 31st March, 2024</b> | <b>120.55</b> | <b>25.68</b> | <b>68.39</b>  | <b>66.53</b> | <b>281.15</b> |
| <b>Balance as at 31st March, 2025</b> | <b>92.77</b>  | <b>25.68</b> | <b>133.79</b> | <b>39.01</b> | <b>291.24</b> |

All the above property, plant & equipment are owned by the company unless specified otherwise.

The company has not made any change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of property, plant & equipment due to revaluation.

**NOTE 12**

**Other non financial assets**

|                       |       |           |
|-----------------------|-------|-----------|
| GST Receivable        | 55.59 | 1.69      |
| Other Receivables     | 17.37 | 9.00      |
| Income tax Receivable | -     | 19,449.91 |

|              |              |                  |
|--------------|--------------|------------------|
| <b>Total</b> | <b>72.96</b> | <b>19,460.59</b> |
|--------------|--------------|------------------|

**NOTE 13**

**Borrowings (other than debt securities)**

Borrowings in India (unsecured)

|  |   |          |
|--|---|----------|
| Inter- corporate deposit( at amortized cost) | - | 7,800.00 |
|--|---|----------|

|              |          |                 |
|--------------|----------|-----------------|
| <b>Total</b> | <b>-</b> | <b>7,800.00</b> |
|--------------|----------|-----------------|

**Terms of borrowing from Greatfin Leasing and Credit Limited**

**a) Term of loan:-** Loan amounting to Rs 96,00,000 is provided by Greatfin Leasing and credit Limited for a tenure of seven years starting from 05.10.2020.

**b) Interest:-** Interest is charged on loan at 9% interest per annum. The borrower at their choice may pay interest at any time during the tenure of loan.

**NOTE 14**

**Other financial liabilities**

|                                   |        |          |
|-----------------------------------|--------|----------|
| Interest accrued but not due      | -      | 1,788.82 |
| Liability for financial guarantee | 350.00 | 500.00   |
| Expense Payable                   | 307.30 | 247.76   |

|              |               |                 |
|--------------|---------------|-----------------|
| <b>Total</b> | <b>657.30</b> | <b>2,536.57</b> |
|--------------|---------------|-----------------|

**Provisions**

Expected credit loss :-

|                                     |
|-------------------------------------|
| Opening balance                     |
| Add/ Less: movement during the year |
| Closing expected credit loss        |

**Reconciliation of liabilities arising from financing activities**

The changes in the Company's liabilities arising from financing activities can be classified as follows:

| Particulars                               | Long-term borrowings | Short-term borrowings | Total           |
|---|----------------------|-----------------------|-----------------|
| <b>Cash flows:</b>                        | -                    | -                     | -               |
| - Repayment                               | -                    | -                     | -               |
| <b>Other non cash changes:</b>            | -                    | -                     | -               |
| - Foreign exchange                        | -                    | -                     | -               |
| - Amortisation of upfront fees and others | -                    | -                     | -               |
| <b>31-Mar-24</b>                          | <b>7,800.00</b>      | <b>-</b>              | <b>7,800.00</b> |
| <b>Cash flows:</b>                        | -                    | -                     | -               |
| - Repayment                               | 403,555.16           | -                     | 403,555.16      |
| - Proceeds                                | 395,755.16           | -                     | 395,755.16      |
| <b>Other non cash changes:</b>            | -                    | -                     | -               |
| - Foreign exchange                        | -                    | -                     | -               |
| - Amortisation of upfront fees and others | -                    | -                     | -               |
| <b>31-Mar-25</b>                          | <b>-</b>             | <b>-</b>              | <b>-</b>        |



INDIA FINSEC LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Particulars                            | (₹ in 000's)       |                    |
|--|--------------------|--------------------|
|  | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
|  | <b>NOTE 15</b>     |                    |
| <b>Other non financial liabilities</b> |                    |                    |
| Payable to government authorities      | 68.93              | 96.61              |
| Expense Payable                        | -                  | -                  |
| <b>Total</b>                           | <b>68.93</b>       | <b>96.61</b>       |

| Equity share capital                                | <b>NOTE 16</b>        |                   |                       |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | As at 31st March 2025 |                   | As at 31st March 2024 |                   |
|   | Nos.                  | (₹ In'000')       | Nos.                  | (₹ In'000')       |
| <b>Authorized shares</b>                            |                       |                   |                       |                   |
| Equity shares of ₹ 10 each with voting rights       | 30,000,000            | 300,000.00        | 30,000,000            | 300,000.00        |
| <b>Issued, subscribed and fully paid- up shares</b> |                       |                   |                       |                   |
| Equity shares of ₹ 10 each fully paid up            | 29,191,715            | 291,917.15        | 24,941,715            | 249,417.15        |
|   | <b>29,191,715</b>     | <b>291,917.15</b> | <b>24,941,715</b>     | <b>249,417.15</b> |

Reconciliation of number of equity shares and amount outstanding

|   | As at 31st March 2025 |                   | As at 31st March 2024 |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | Nos.                  | (₹ In'000')       | Nos.                  | (₹ In'000')       |
| <b>Equity Shares</b>                              |                       |                   |                       |                   |
| - At the beginning of the period                  | 24,941,715            | 249,417.15        | 24,941,715            | 249,417.15        |
| - Issued during the year (refer note below)       | 4,250,000             | 42,500.00         | -                     | -                 |
| <b>Total outstanding at the end of the period</b> | <b>29,191,715</b>     | <b>291,917.15</b> | <b>24,941,715</b>     | <b>249,417.15</b> |

Note- During the year on 21-01-2025 the company has allotted 42,50,000 equity shares of Rs 10/- each , consequent to conversion of equal number warrants issued during the year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation,2018.

Details of shareholders holding more than 5% shares in the company: -

| Promoter Name                      | As at 31st March 2025 |               | As at 31st March 2024 |               |
|------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                    | Nos.                  | % holding     | Nos.                  | % holding     |
| Fidelo Foods LLP                   | 4,537,050.00          | 15.54%        | 4,537,050.00          | 18.19%        |
| Mukesh Sharma                      | 1,292,540.00          | 4.43%         | 1,292,540.00          | 5.18%         |
| Gopal Bansal                       | 4,015,741.00          | 13.76%        | 4,015,741.00          | 16.10%        |
| Sunita Bansal                      | 1,295,530.00          | 4.44%         | 1,295,530.00          | 5.19%         |
| Ganga Devi Bansal                  | 2,113,000.00          | 7.24%         | 1,738,000.00          | 6.97%         |
| Precious Tradeways Private Limited | 1,412,971.00          | 4.84%         | 1,407,654.00          | 5.64%         |
| Escorp Asset Management Limited    | 2,000,000.00          | 6.85%         | -                     | -             |
| Radhey Kishan                      | 1,506,217.00          | 5.16%         | -                     | -             |
| <b>Total</b>                       | <b>18,173,049.00</b>  | <b>62.26%</b> | <b>14,286,515.00</b>  | <b>57.27%</b> |

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Details of shares held by promoter and Promoter Group in the Company

| Promoter Name                      | As at 31st March 2025 |                   | As at 31st March 2024 |                   | % Change during the year |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|--------------------------|
|                                    | No of Shares          | % of total Shares | No of Shares          | % of total Shares |                          |
| Gopal Bansal                       | 4,044,141.00          | 13.85%            | 4,044,141.00          | 16.21%            | -                        |
| Sunita Bansal                      | 1,295,530.00          | 4.44%             | 1,295,530.00          | 5.19%             | -                        |
| Mukesh Sharma                      | 1,292,540.00          | 4.43%             | 1,292,540.00          | 5.18%             | -                        |
| Manoj Sharma                       | 760,665.00            | 2.61%             | 760,665.00            | 3.05%             | -                        |
| Gopal Bansal Huf                   | 395,000.00            | 1.35%             | 395,000.00            | 1.58%             | -                        |
| Ganga Devi Bansal                  | 2,113,000.00          | 7.24%             | 1,738,000.00          | 6.97%             | 0.22                     |
| Fidelo Foods Private Limited       | 4,537,050.00          | 15.54%            | 4,537,050.00          | 18.19%            | -                        |
| Daisy Distributors Private Limited | 1,018,275.00          | 3.49%             | 1,018,275.00          | 4.08%             | -                        |
| Arvind Kumar Bansal                | 375,000.00            | 1.28%             | -                     | 0.00%             | -                        |
| Nidhi Bansal                       | 500,000.00            | 1.71%             | -                     | 0.00%             | -                        |
| <b>Total</b>                       | <b>16,331,201.00</b>  | <b>55.94%</b>     | <b>15,081,201.00</b>  | <b>60.47%</b>     | <b>0.22</b>              |

There is a change in promoters shareholding during the period ended March 31,2025 and March 31,2024





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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Particulars   | ( ₹ in 000's)      |                    |
|---|--------------------|--------------------|
|   | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>Other equity</b>   |                    |                    |
| <b>Share premium</b>  |                    |                    |
| Opening balance   | 161,081.05         | 161,081.05         |
| Add: Addition during the year   | 297,500.00         | -                  |
| Less: Share issue expenses  | 427.00             | -                  |
| Closing balance   | 458,154.05         | 161,081.05         |
| <b>Special Reserve (u/s 45IC of RBI Act, 1934)</b>  |                    |                    |
| Balance as per last financial statements  | 8,835.05           | 8,575.77           |
| Add: Transfer from surplus  | 2.19               | 259.29             |
| Closing balance   | 8,837.24           | 8,835.06           |
| <b>Retained Earnings</b>  |                    |                    |
| Balance as per last financial statements  | 27,156.81          | 26,119.67          |
| Add/(Less): Profit/(loss) for the year  | 10.95              | 1,296.43           |
| Add Prior Period error  | 1.07               | -                  |
| Less: Transfer to Special Reserve u/s 45-IC of RBI Act  | (2.19)             | (259.29)           |
| Net surplus in statement of profit and loss   | 27,166.64          | 27,156.81          |
| <b>Equity instruments through other comprehensive income</b>  |                    |                    |
| Opening balance   | -                  | -                  |
| Derecognition of equity instruments measured at FVTOCI  | -                  | -                  |
| Closing balance   | -                  | -                  |
| <b>Other comprehensive income</b>   |                    |                    |
| Other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value through other comprehensive income and gain/(loss) booked on re-measurement of defined benefit plans. |                    |                    |
| <b>Security Premium</b>   |                    |                    |
| Any premium received on the shares is transferred to this account.  |                    |                    |
| <b>NOTE 18</b>  |                    |                    |
| <b>Interest income</b>  |                    |                    |
| <b>On financial assets measured at amortised cost</b>   |                    |                    |
| Interest on loans   | 1,760.95           | 3,542.47           |
| Interest on Debentures  | 43.13              | 57.50              |
| Impairment gain on Financial Instruments  | -                  | -                  |
| <b>Total</b>  | <b>1,804.08</b>    | <b>3,599.97</b>    |
| <b>NOTE 19</b>  |                    |                    |
| <b>Fees and commission income</b>   |                    |                    |
| Service charge for corporate guarantee  | 850.00             | -                  |
| <b>Total</b>  | <b>850.00</b>      | <b>-</b>           |
| <b>NOTE 20</b>  |                    |                    |
| <b>Income from shares &amp; securities</b>  |                    |                    |
| Opening value of shares & securities (held at FVTPL)  | -                  | 56.50              |
| Less: Closing value of shares & securities (held at FVTPL)  | -                  | -                  |
| Less: Sale of shares and securities   | -                  | 68.44              |
| Net gain/(loss) on fair value changes [A]   | -                  | 11.94              |
| Realised  | -                  | 11.94              |
| Unrealised  | -                  | -                  |
| <b>Total gain / (loss) on fair value changes [B]</b>  | <b>-</b>           | <b>11.94</b>       |
| <b>NOTE 21</b>  |                    |                    |
| <b>Other income</b>   |                    |                    |
| Interest on Refund  | 5,122.35           | 4.88               |
| Impairment reversal on loan   | 10.29              | -                  |
| <b>Total</b>  | <b>5,132.64</b>    | <b>4.88</b>        |



INDIA FINSEC LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Particulars   | ( ₹ in 000's)      |                    |
|---|--------------------|--------------------|
|   | As at<br>31 Mar 25 | As at<br>31 Mar 24 |
| <b>NOTE 22</b>  |                    |                    |
| <b>Finance cost</b>   |                    |                    |
| <b><u>On financial liabilities measured at amortised cost:</u></b>  |                    |                    |
| - Interest on borrowings  | 885.21             | 702.00             |
| <b>Total</b>  | <b>885.21</b>      | <b>702.00</b>      |
| <b>NOTE 23</b>  |                    |                    |
| <b>Impairment of financial instruments</b>  |                    |                    |
| <b><u>On Financial Instrument measured at amortized cost</u></b>  |                    |                    |
| On loans and advances   | -                  | 1.31               |
| <b>Total</b>  | <b>-</b>           | <b>1.31</b>        |
| <b>NOTE 24</b>  |                    |                    |
| <b>Employee benefit expenses</b>  |                    |                    |
| Salaries to staff   | 2,446.98           | 1,941.00           |
| Employer's contribution to ESI  | 6.24               | 6.24               |
| Staff Welfare   | 12.68              | -                  |
| Trainee Expenses  | 57.34              | -                  |
| <b>Total</b>  | <b>2,523.24</b>    | <b>2,042.24</b>    |
| <b>NOTE 26</b>  |                    |                    |
| <b>Other expenses</b>   |                    |                    |
| Advertisement expenses  | 86.98              | 80.42              |
| Conveyance expenses   | 34.44              | 73.78              |
| Fees & subscription   | 461.95             | 459.72             |
| GST reversal u/s 42   | 122.60             | 70.22              |
| Legal & professional charges  | 2,691.80           | 108.42             |
| Repair & Maintenance Expenses   | -                  | -                  |
| <b><u>Payment to statutory auditors</u></b>   |                    |                    |
| In capacity as auditors: -  |                    |                    |
| - towards audit fees  | 60.00              | 60.00              |
| Printing & stationery   | 4.71               | 37.66              |
| Sitting fee to directors  | -                  | -                  |
| Miscellaneous expenses  | 211.32             | 139.45             |
| <b>Total</b>  | <b>3,673.80</b>    | <b>1,029.69</b>    |
| <b>NOTE 27</b>  |                    |                    |
| <b>Income tax</b>   |                    |                    |
| Tax expense comprises of:   |                    |                    |
| Current tax   | 138.53             | 48.14              |
| Deferred tax charge   | 21.72              | 18.39              |
| Earlier years tax adjustments (net)   | 455.23             | 12.75              |
| <b>Income tax expense reported in the statement of profit and loss</b>  | <b>615.48</b>      | <b>79.28</b>       |
| The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective |                    |                    |
| <b>Accounting profit before income tax</b>  | <b>626.43</b>      | <b>280.23</b>      |
| At India's statutory income tax rate of 25.167%   | 157.65             | 70.53              |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>                            |                    |                    |
| Tax impact of expenses which will never be allowed  | -                  | -                  |
| Earlier years tax adjustments (net)   | 455.23             | 12.75              |
| Others  | 2.60               | (4.00)             |
| <b>Income tax expense</b>   | <b>615.48</b>      | <b>79.28</b>       |
| <b>NOTE 28</b>  |                    |                    |
| <b>Earning Per Shares: (in ₹)</b>   |                    |                    |
| Profit for the year (₹)   | 10,949.51          | 200,944.37         |
| Amount available for equity shareholders (₹)  | 10,949.51          | 200,944.37         |
| Total number of equity shares outstanding at the beginning of the year  | 29,191,715.00      | 24,941,715         |



## INDIA FINSEC LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|  |               |            |
|--|---------------|------------|
| Total number of equity shares outstanding at the end of the year | 29,191,715.00 | 24,941,715 |
| Weighted average number of equity shares                         | 25,745,140    | 24,941,715 |
| Earning per share - Basic and diluted (₹)                        | 0.00          | 0.01       |
| Face value per equity share (₹)                                  | 10.00         | 10.00      |

## NOTE 29

## Related parties :-

As per Ind AS 24, the disclosures of transactions with the related parties are given below: -

| (a)   | List of related parties where control exists and also related parties with whom transactions have taken place and relationship:- |   |
|-------|--|---|
| (i)   | Subsidiary Company   | M/s. IFL Housing Finance Limited (Subsidiary)   |
| (ii)  | Key Management Personnel   | Gopal Bansal (Managing Director)                |
|       |  | Mukesh Sharma (Director)                        |
|       |  | Manoj Kumar Gupta (CFO)                         |
|       |  | Purva Mangal (Director)                         |
|       |  | Amit Kumar Agarwal (Director)                   |
|       |  | Devi Dass Agarwal (Director)                    |
|       |  | Rahul (Company Secretary)                       |
| (iii) | Relatives of Key Management Personnel  | Ganga Devi Bansal (Mother of Managing Director) |
|       |  | Sunita Bansal (Wife of Managing Director)       |
| (iv)  | Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives                                 | M/s. Gopal Bansal (HUF)                         |

## (b) Transactions made with the "Related parties" during the year: -

(₹ in 000's)

| S.No. | Transaction with                         | Nature of transaction                  | Transaction during the year |               |
|-------|--|--|-----------------------------|---------------|
|       |  |  | March 31 2025               | March 31 2024 |
| (i)   | IFL Housing Limited (Subsidiary Co.)     | Investment in equity shares            | 347,950.53                  | -             |
|       |  | Repayment received                     | 65,312.74                   | -             |
|       |  | Loan given                             | 65,312.74                   | -             |
|       |  | Service charge for Corporate Gaurantee | 850.00                      | 1,000.00      |
|       |  | Interest Income                        | -                           | -             |
| (ii)  | Key Management Personnel: -              |  |                             |               |
|       | Mr. Gopal Bansal                         | Loan taken                             | -                           | 800.00        |
|       |  | Loan repaid                            | -                           | 800.00        |
|       |  | Loan given                             | 9,500.00                    | -             |
|       |  | Loan received back                     | 9,500.00                    | -             |
|       |  | Interest paid                          | -                           | 8.88          |
|       | Mr. Mukesh Sharma                        | Sitting fees                           | -                           | 12.00         |
|       | Ms. Himansi Kashyap                      | Sitting fees                           | -                           | 7.00          |
|       | Mr. Manoj Kumar Gupta                    | Remuneration                           | 1,289.40                    | 1,200.00      |
| (iii) | Relatives of Key Management Personnel: - |  |                             |               |
|       | Mrs Ganga Devi                           | Issue of shares                        | 30,000.00                   | -             |

## (c) Closing balances with "Related parties" at the end of the year: -

(₹ in 000's)

| S.No. | Transaction with            | Description  | Balance as at |               |
|-------|-----------------------------|--------------|---------------|---------------|
|       |                             |              | March 31 2025 | March 31 2024 |
| (i)   | Key Management Personnel: - |              |               |               |
|       | Mr. Mukesh Sharma           | Sitting fees | -             | -             |
|       | Ms. Himansi Kashyap         | Sitting fees | -             | -             |
|       | Mr. Manoj Kumar Gupta       | Remuneration | 107.45        | 89.23         |





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Notes forming part of the Financials Statements for the year ended 31 March 2025

(₹ in '000)

NOTE 25

a) Property, Plant and Equipment and Intangible Assets (owned assets)

| Assets                   | TANGIBLE ASSETS |         |                  |                     |           | Total    |
|--------------------------|-----------------|---------|------------------|---------------------|-----------|----------|
|                          | Office Premises | Vehicle | Office equipment | Furniture & Fixture | Computers |          |
| Gross Block              |                 |         |                  |                     |           |          |
| At at 1 April 2024       | 0.00            | 513.56  | 1,327.86         | 825.92              | 770.64    | 3,437.99 |
| Additions (24-25)        | -               | -       | 88.14            | -                   | -         | 88.14    |
| Deductions/ Adjustments  | -               | -       | -                | -                   | -         | -        |
| At at 31 March 2023      | 0.00            | 513.56  | 1,327.86         | 825.92              | 731.24    | 3,398.58 |
| Additions (23-24)        | -               | -       | -                | -                   | 39.41     | 39.41    |
| Deductions/ Adjustments  | -               | -       | -                | -                   | -         | -        |
| At at 31 March 2025      | 0.00            | 513.56  | 1,416.00         | 825.92              | 770.64    | 3,526.12 |
| At at 31 March 2024      | 0.00            | 513.56  | 1,327.86         | 825.92              | 770.64    | 3,437.99 |
| Accumulated Depreciation |                 |         |                  |                     |           |          |
| At at 1 April 2024       | -               | 487.88  | 1,259.47         | 705.37              | 704.11    | 3,156.84 |
| Additions (24-25)        | -               | -       | 22.73            | 27.78               | 27.53     | 78.04    |
| Deductions/ Adjustments  | -               | -       | -                | -                   | -         | -        |
| At at 31 March 2023      | -               | 487.41  | 1,252.39         | 669.07              | 686.64    | 3,095.52 |
| Additions (23-24)        | -               | 0.47    | 7.08             | 36.30               | 17.48     | 61.33    |
| Deductions/ Adjustments  | -               | -       | -                | -                   | -         | -        |
| At at 31 March 2025      | -               | 487.88  | 1,282.21         | 733.15              | 731.64    | 3,234.88 |
| At at 31 March 2024      | -               | 487.88  | 1,259.47         | 705.37              | 704.11    | 3,156.84 |
| Net Block                |                 |         |                  |                     |           |          |
| At at 31 March 2024      | 0.00            | 25.68   | 68.39            | 120.55              | 66.53     | 281.15   |
| At at 31 March 2025      | 0.00            | 25.68   | 133.79           | 92.77               | 39.00     | 291.24   |

b) Asset taken/given on Finance Lease

The Company has not taken any assets on finance lease and given on operating lease.



**INDIA FINSEC LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**NOTE 30**

**Financial instruments**

**Fair values hierarchy**

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial instruments by category**

**Categories of Financial Instruments and its fair value measurement**

(₹ in 000's)

| Particulars                            | 31 March 2025 |       |                 | 31 March 2024 |       |                  |
|--|---------------|-------|-----------------|---------------|-------|------------------|
|  | FVTPL         | FVOCI | Amortised cost  | FVTPL         | FVOCI | Amortised cost   |
| <b>Financial assets</b>                |               |       |                 |               |       |                  |
| Investment in Debentures               | -             | -     | -               | -             | -     | 500.00           |
| Investment in Quoted Equity Instrument | -             | -     | -               | -             | -     | -                |
| Trade receivables                      | -             | -     | -               | -             | -     | -                |
| Loans                                  | -             | -     | -               | -             | -     | 3,601.16         |
| Cash and cash equivalents              | -             | -     | 7,296.15        | -             | -     | 3,783.85         |
| Other bank balances                    | -             | -     | -               | -             | -     | -                |
| Other financial assets                 | -             | -     | 480.00          | -             | -     | -                |
| <b>Total financial assets</b>          | -             | -     | <b>7,776.15</b> | -             | -     | <b>7,885.01</b>  |
| <b>Financial liabilities</b>           |               |       |                 |               |       |                  |
| Borrowings                             | -             | -     | -               | -             | -     | 7,800.00         |
| Trade payables                         | -             | -     | -               | -             | -     | -                |
| Other financial liabilities            | -             | -     | 657.30          | -             | -     | 2,536.57         |
| <b>Total financial liabilities</b>     | -             | -     | <b>657.30</b>   | -             | -     | <b>10,336.57</b> |

Investment in subsidiary is measured at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

| Particulars                        | Level   | March 31 2025  |               | March 31 2024   |                  |
|------------------------------------|---------|----------------|---------------|-----------------|------------------|
|                                    |         | Carrying value | Fair value    | Carrying value  | Fair value       |
| <b>Financial assets</b>            |         |                |               |                 |                  |
| Loans                              | Level 3 | -              | -             | 3,601.16        | 3,601.16         |
| Other financial assets             | Level 3 | -              | -             | -               | -                |
| <b>Total financial assets</b>      |         | -              | -             | <b>3,601.16</b> | <b>3,601.16</b>  |
| <b>Financial liabilities</b>       |         |                |               |                 |                  |
| Borrowings                         | Level 3 | -              | -             | -               | 7,800.00         |
| Other financial liabilities        | Level 3 | 657.30         | 657.30        | 2,288.82        | 2,288.82         |
| <b>Total financial liabilities</b> |         | <b>657.30</b>  | <b>657.30</b> | <b>2,288.82</b> | <b>10,088.82</b> |

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included 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.

**Contingent Liabilities:**

**NOTE 31**

(₹ in 000's)

| S.No. | Particular  | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-------|---|------------------------------------|------------------------------------|
|       | Contingent liabilities not provided for: -  |                                    |                                    |
| (i)   | Guarantees issued to Financial Institutions/ Bankers for loans taken by IFL Housing Finance Limited | 2,115,000                          | 2,135,000                          |
| (ii)  | Pending litigations by/ against the Company   | -                                  | -                                  |
|       | <b>Total</b>  | <b>2,115,000</b>                   | <b>2,135,000</b>                   |



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**FINANCIAL RISK MANAGEMENT**

**NOTE 32**

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk                        | Exposure arising from   | Measurement                 | Management  |
|-----------------------------|---|-----------------------------|---|
| Credit risk                 | Cash and cash equivalents, loans, Investments, trade receivables, other financial assets. | Ageing analysis             | Bank deposits, diversification of asset base, credit limits and collateral. |
| Liquidity risk              | Borrowings and other liabilities  | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities.            |
| Market risk - interest rate | Long-term borrowings at variable rates  | Sensitivity analysis        | Negotiation of terms that reflect the market factors.                       |

**Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables, Loans and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**Credit risk management**

**Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

The Company provides for expected credit loss based on the following:

|        | Basis of categorisation  | Provision for expected credit loss                              |
|--------|--|---|
| Low    | Cash and cash equivalents, investments, other bank balances, loans, trade receivables other financial assets | Life time expected credit loss or 12 month expected credit loss |
| Medium | Trade receivables and other financial asset  | Life time expected credit loss or 12 month expected credit loss |
| High   | Trade receivables and other financial asset  | Life time expected credit loss fully provided for               |

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

| Credit rating | 31 March 2025 | 31 March 2024 |
|---------------|---------------|---------------|
| A: Low        | -             | -             |
| B: Medium     | -             | -             |
| C: High       | -             | -             |

**Concentration of trade receivables, Loans**

The Company's exposure to credit risk for trade receivables is Nil. Loans majorly represents loans provided to Individuals.

**Provision for expected credit losses**

The Company provides for 12 month expected credit losses for following financial assets -

**As at 31 March 2025**

| Particulars               | Estimated gross | Expected credit | Carrying amount |
|---------------------------|-----------------|-----------------|-----------------|
| Cash and cash equivalents | 7,296.15        | -               | 7,296.15        |
| Investment                | 775,688.38      | -               | 775,688.38      |
| Other bank balances       | -               | -               | -               |
| Loans                     | -               | -               | -               |
| Other financial assets    | -               | -               | -               |

**As at 31 March 2024**

| Particulars               | Estimated gross | Expected credit | Carrying amount |
|---------------------------|-----------------|-----------------|-----------------|
| Cash and cash equivalents | 3,783.85        | -               | 3,783.85        |
| Investment                | 427,737.85      | -               | 427,737.85      |
| Other bank balances       | -               | -               | -               |
| Loans                     | 3,611.45        | (10.29)         | 3,601.16        |
| Other financial assets    | -               | -               | -               |





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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

Reconciliation of loss provision – lifetime expected credit losses

| Reconciliation of loss allowance                    | Loans        | Other financial asset |
|---|--------------|-----------------------|
| <b>Loss allowance as on 31 March 2023</b>           | 8.98         | -                     |
| Impairment loss recognised/reversed during the year | 1.31         | -                     |
| Amounts written off                                 | -            | -                     |
| <b>Loss allowance on 31 March 2024</b>              | <b>10.29</b> | -                     |
| Impairment loss recognised/reversed during the year | (10.29)      | -                     |
| Amounts written off                                 | -            | -                     |
| <b>Loss allowance on 31 March 2025</b>              | -            | -                     |

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

| 31 March 2025               | Less than 1 year | More than 1 year | Total         |
|-----------------------------|------------------|------------------|---------------|
| <b>Non-derivatives</b>      |                  |                  |               |
| Borrowings                  | -                | -                | -             |
| Trade payable               | -                | -                | -             |
| Other financial liabilities | 657.30           | -                | 657.30        |
| <b>Derivatives</b>          | -                | -                | -             |
| Derivative liability        | -                | -                | -             |
| <b>Total</b>                | <b>657.30</b>    | -                | <b>657.30</b> |

| 31 March 2024               | Less than 1 year | More than 1 year | Total            |
|-----------------------------|------------------|------------------|------------------|
| <b>Non-derivatives</b>      |                  |                  |                  |
| Borrowings                  | -                | 7,800.00         | 7,800.00         |
| Trade payable               | -                | -                | -                |
| Other financial liabilities | 2,288.82         | -                | 2,288.82         |
| <b>Derivatives</b>          | -                | -                | -                |
| Derivative liability        | -                | -                | -                |
| <b>Total</b>                | <b>2,288.82</b>  | <b>7,800.00</b>  | <b>10,088.82</b> |

**Interest rate risk**

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

| Particulars             | 31 March 2025 | 31 March 2024 |
|-------------------------|---------------|---------------|
| Variable rate borrowing | -             | -             |
| Fixed rate borrowing    | 0.00          | 0.00          |
| <b>Total borrowings</b> | <b>0.00</b>   | <b>0.00</b>   |

**Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars                                  | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Interest rates – increase by 50 basis points | -             | -             |
| Interest rates – decrease by 50 basis points | -             | -             |



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**NOTE 33**

**Capital management**

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios -

| Particulars                     | 31 March 2025 | 31 March 2024 |
|---------------------------------|---------------|---------------|
| Net debt*                       | (6,638.85)    | 6,304.96      |
| Total equity                    | 786,276.03    | 446,691.00    |
| <b>Net debt to equity ratio</b> | <b>(0.01)</b> | <b>0.01</b>   |

\*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

**Revenue recognised in relation to contract liabilities**

**NOTE 34**

Ind AS 115 requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarised below:

| Description   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Contract liabilities at the beginning of the year       | -                           | -                           |
| Less: performance obligations satisfied in current year | -                           | -                           |
| Add: advance received during the year.                  | -                           | -                           |
| Contract liabilities at the end of the year             | -                           | -                           |

**Disaggregation of revenue**

Revenue arises mainly from the Interest income on loans and commission income.

| Description                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------|-----------------------------|-----------------------------|
| Interest Income            | 1,804.08                    | 3,599.97                    |
| Dividend Income            | -                           | -                           |
| Commission Income          | 850.00                      | 500.00                      |
| Income from Sale of Shares | -                           | 11.94                       |
|                            | <b>2,654.08</b>             | <b>4,111.92</b>             |

**Geographical markets**

|        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------|-----------------------------|-----------------------------|
| India  | 2,654.08                    | 4,111.92                    |
| Others | -                           | -                           |
|        | <b>2,654.08</b>             | <b>4,111.92</b>             |

**Reconcile the amount of revenue recognised in the statement of profit and loss with the contracted price**

| Description                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Revenue recognised during the year       | 2,654.08                    | 4,111.92                    |
| Less: Discount, rebates, credits etc.    | -                           | -                           |
| Add/Less: Any adjustment during the year | -                           | -                           |
| <b>Revenue as per the contract</b>       | <b>2,654.08</b>             | <b>4,111.92</b>             |

**Timing of Revenue recognition:**

| Description                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Revenue recognised at point in time</b> |                             |                             |
| Interest Income, Sale of securities        | 1,804.08                    | 4,111.92                    |
| <b>Revenue recognised over time</b>        |                             |                             |
| commission income                          | 850.00                      | -                           |
|  | <b>2,654.08</b>             | <b>4,111.92</b>             |



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**NOTE 35**

**Additional Regulatory Disclosures**

**(i) Details of Benami Property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

**(ii) Wilful defaulter**

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**(iii) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(iv) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**(v) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vi) Utilization of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**(vii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(viii) Details of crypto currency or virtual currency**

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

**(ix) Valuation of Property, Plant & Equipment, intangible asset and investment property**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

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

The Company does not have any immovable property.

**(xi) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period. Corporate Guarantee given by the company to subsidiary company is not liable for charge registration.

**Ratio Analysis and its components**

**NOTE 36**

| S.No. | Particulars                                 | 31st March 2025 | 31st March 2024 | % change from March 31, 2024 to March 31, 2025 |
|-------|---|-----------------|-----------------|--|
| 1     | Capital to risk-weighted asset ratio (CRAR) | 0.03            | 0.04            | -20.02%  |
| 2     | Tier I CRAR                                 | 0.03            | 0.04            | -20.02%  |
| 3     | Tier II CRAR                                | 0.00            | 0.00            | 0.00%  |
| 4     | Liquidity Coverage Ratio                    | 0.00            | 68.73           | -100.00%                                       |

**Components of Ratio**

| S.No. | Ratios                                      | Numerator                        | Denominator          | March 31st 2025 |              | Q24       |              |
|-------|---|----------------------------------|----------------------|-----------------|--------------|-----------|--------------|
|       |   |                                  |                      | Numerator       | Denominator  | Numerator | Denominator  |
| 1     | Capital to risk-weighted asset ratio (CRAR) | Tier I Capital + Tier II Capital | Risk Weighted Assets | 89,215.25       | 2,891,532.59 | 64,122.25 | 1,662,191.04 |
| 2     | Tier I CRAR                                 | Tier I                           | Risk weighted asset  | 89,215.25       | 2,891,532.59 | 64,122.25 | 1,662,191.04 |
| 3     | Tier II CRAR                                | Tier II                          | Risk weighted asset  | -               | 2,891,532.59 | -         | 1,662,191.04 |
| 4     | Liquidity Coverage Ratio                    | HQLA                             | Net cash flow        | 7,296.15        | -            | 3,783.85  | 55.05        |

**Reasons for variance of more than 25% in above ratios**

|       |   |    |
|-------|---|----|
| (i)   | Capital to risk-weighted asset ratio (CRAR) | NA |
| (ii)  | Tier I CRAR                                 | NA |
| (iii) | Tier II CRAR                                | NA |
| (iv)  | Liquidity Coverage Ratio                    | NA |





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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**Event occurring after balance sheet date**

**NOTE 37**

On 15-04-2025 the company has intimated to stock exchange vide board resolution dated 15-04-2025 that the company has decided to surrender the NBFC-ICC certificate of Registration in order to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC. The Company will act as an unregistered Core Investment Company (CIC) upon receipt of approval for cancellation of its Certificate of Registration (CoR) as a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC), as the Company meets the eligibility criteria to operate as a unregistered Core Investment Company (CIC).

**NOTE 38**

The financial statements were approved for issue by the Board of Directors on 19 May 2025.

**NOTE 39**

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

**NOTE 40**

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

**NOTE 41**

Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

**NOTE 42**

Figures in brackets indicate negative (-) figures.

**NOTE 43**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800





## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
INDIA FINSEC LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **INDIA FINSEC LIMITED** "hereinafter referred to as the Holding Company") and its subsidiary (Holding and subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2025, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31<sup>st</sup> March, 2025, and the consolidated Net Profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described hereunder to be key audit matters to be communicated in our report.

| S. No. | Key audit matters            | Auditor's response                                      |
|--------|------------------------------|---|
| 1.     | <u>Loans and advances: -</u> | Our audit procedure inter- alia includes the following: |



|    |   |  |
|----|---|--|
|    | Loans are to be disclosed at Amortized Cost using Effective Interest Method prescribed 1. We evaluated the control environment under Ind AS 109 on 'Financial Instruments' including authorization, sanctioning and We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company. | <ol style="list-style-type: none"> <li>1 We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year.</li> <li>2 We evaluated the control environment of levying the processing fees on significant loans advanced by the company and its treatment in books of accounts in accordance with Ind AS 109.</li> <li>3 We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company.</li> <li>4 We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.</li> </ol> |
| 2. | <u>Compliance of RBI directions and circulars:</u>  | <u>Our audit procedure inter- alia includes the following:</u>   |
|    | <p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As the Company is an NBFC, it is the responsibility of the Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>                                  | <ol style="list-style-type: none"> <li>1 We have reviewed the conditions for prudential norms prescribed by the RBI including: -</li> <li>2 Hold impairment allowance as required by IND AS in parallel with existing prudential norms on IRACP on loan advanced.</li> <li>3 Transfer of 20% profit to reserve maintained under section 45-IC of the RBI Act.</li> <li>4 To comply with the Net owned fund requirement of Rs 5 Crores by March 2025 vide Notification no DOR.CRE.060.CGM 2022</li> </ol>   |

### Emphasis of Matter

1. Attention is drawn to Note No 46 (a) "On 15 April 2025 the company has intimated to stock exchange vide board resolution dated 15 April 2025 that the company has decided to surrender the NBFC-ICC certificate of Registration in order to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC.
2. Attention is drawn to Note No 58 "The subsidiary company named IFL Finance Limited (Formerly IFL Housing Finance Limited) has passed a resolution in the board meeting dated 20 May 2024 to discontinue being housing finance company and to convert it into a NBFC and to file application to seek approval from RBI and NHB and/or various authorities as may be required. The application is under progress with RBI.



3. Attention is drawn to Note No 22 “During the year on 14 February 2025 the company has allotted 42,50,000 equity shares of Rs 10/- each , consequent to conversion of equal number warrants issued during the year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non-promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation,2018.

Our report is not qualified in respect of above matters.

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

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its subsidiary and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements**

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

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



- 1 Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Companies Act, 2013, 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.
- 3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 5 Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

We have audited the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 36,18,571.84 thousand as at 31<sup>st</sup> March, 2025, total revenues of Rs. 7,13,707.63 thousand and net cash inflow amounting to Rs. 91,786.38 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by us, so far as it relates to the amounts and disclosures included in respect of this subsidiary.

## Report on Other Legal and Regulatory Requirements

- A) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - 2 In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - 3 The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - 4 In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act;
  - 5 On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors of the Holding Company and the audit report of the subsidiary company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 6 With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 7 The matter described in the Emphasis of matter paragraph above, in our opinion may not have an adverse effect on functioning of the company.



8 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:

- a. The consolidated financial statements have disclosed the impact, if any, of pending litigations on the consolidated financial position of the Group in its consolidated financial statements (Refer to note no. 42 of the consolidated financial statements).
- b. The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
- d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- e. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- f. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- g. Dividend is not declared nor paid during the year by the company, hence compliance to section 123 is not applicable.
- h. Based on our examination which included test check performed by the us for both The company and the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, the company and subsidiary have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of audit trail feature being tampered with.



- i. No qualified/adverse comment under CARO, 2020 has been given in the subsidiary auditor's report.
- B) As required by Section 197(16) of the Act, based on our audit of Holding and Subsidiary Company financial information, we report that the Holding Company, subsidiary company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

**For Ajay Rattan & Co.**  
**Chartered Accountants**  
**Firm Registration No.012063N**

**Sd/-**  
**CA. Varun Garg**  
**Partner**  
**Membership No. 523588**  
**UDIN: 25523588BMJMMT1884**

**Place: New Delhi**  
**Dated: 22/05/2025**





## **ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31<sup>st</sup> March 2025, we have audited the internal financial controls over financial reporting of **INDIA FINSEC LIMITED** (hereinafter referred to as “the Holding Company”) along with its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) as on that date.

### **Management’s Responsibility for the Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Holding Company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors



in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of information and according to explanation given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, the Group have maintained in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on "the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

### **Other Matters**

Our aforesaid report under Section 143(3)(G) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company,



which is incorporated in India, is based on the corresponding report of the auditor of such company.

Our report is not qualified in respect of above matters.

**For Ajay Rattan & Co.**  
**Chartered Accountants**  
**Firm Registration No.012063N**

**Sd/-**  
**CA. Varun Garg**  
**Partner**  
**Membership No. 523588**  
**UDIN: 25523588BMJMMT1884**

**Place: New Delhi**  
**Dated: 22/05/2025**



**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025**

|   |       | (₹ in "000")        |                     |
|---|-------|---------------------|---------------------|
| Particulars                                       | Notes | As at<br>31 Mar 25  | As at<br>31 Mar 24  |
| <b>ASSETS</b>                                     |       |                     |                     |
| <b>Financial assets</b>                           |       |                     |                     |
| Cash and cash equivalents                         | 6     | 1,20,854.92         | 25,557.85           |
| Bank balance other than cash and cash equivalents | 7     | 39,387.50           | 89,388.00           |
| Loans   | 8     | 32,98,160.00        | 27,74,869.16        |
| Investments                                       | 9     | -                   | 500.00              |
| Other financial assets                            | 10    | 21,212.74           | 13,530.00           |
| <b>Non-financial assets</b>                       |       |                     |                     |
| Current tax assets (net)                          | 11    | 3,019.36            | 2,083.71            |
| Deferred tax assets (net)                         | 12    | 15,229.62           | 19,733.38           |
| Property, plant & equipment                       | 13    | 19,590.33           | 15,696.24           |
| Right to use Asset                                | 13    | 86,577.00           | 62,103.00           |
| Investment Property                               | 13    | 11,856.00           | -                   |
| Goodwill  |       | 980.09              | 980.09              |
| Other intangible assets                           | 14    | 9,747.00            | 9,290.00            |
| Other non financial assets                        | 15    | 3,770.96            | 21,787.59           |
| <b>Total Assets</b>                               |       | <b>36,30,385.52</b> | <b>30,35,519.02</b> |
| <b>LIABILITIES AND EQUITY</b>                     |       |                     |                     |
| <b>Financial liabilities</b>                      |       |                     |                     |
| Borrowings (other than debt securities)           | 16    | 18,77,962.00        | 18,31,997.00        |
| Lease Liability                                   | 17    | 99,309.00           | 71,228.00           |
| Other financial liabilities                       | 18    | 27,026.16           | 26,565.82           |
| <b>Non-financial liabilities</b>                  |       |                     |                     |
| Current Tax Liabilities (Net)                     | 19    | 9,585.00            | 10,151.00           |
| Provisions  | 20    | 6,448.50            | 4,267.00            |
| Other non financial liabilities                   | 21    | 1,057.18            | 514.37              |
| <b>EQUITY</b>                                     |       |                     |                     |
| Equity share capital                              | 22    | 2,91,917.15         | 2,49,417.15         |
| Other equity                                      | 23    | 8,46,526.60         | 4,34,510.76         |
| Non controlling interest                          |       | 4,70,553.93         | 4,06,867.92         |
| <b>Total liabilities and equity</b>               |       | <b>36,30,385.52</b> | <b>30,35,519.02</b> |

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.

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This is the balance sheet referred to in our report of even date.

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
Firm Registration No. 012063N

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMT188

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800

Date: 22/05/2025  
Place: New Delhi



**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31 MARCH 2025**

(₹ in "000")

| Particulars   | Notes | For the year ended<br>31 Mar 25 | For the year ended<br>31 Mar 24 |
|---|-------|---------------------------------|---------------------------------|
| <b>Revenue from operations</b>  |       |                                 |                                 |
| (i) Interest income   | 24    | 6,85,477.47                     | 6,11,958.97                     |
| (ii) Dividend income  |       | -                               | -                               |
| (iii) Fees and commission income  | 25    | 21,315.48                       | 19,549.00                       |
| (iv) Net gain on fair value changes   | 26    | -                               | 1,197.00                        |
| (v) Income from shares & securities   | 27    | -                               | 11.94                           |
| (vi) Other Operating Revenue  | 28    | 4,717.26                        | 4,246.00                        |
| <b>I Total revenue from operations</b>  |       | <b>7,11,510.21</b>              | <b>6,36,962.91</b>              |
| II Other income   | 29    | 7,722.40                        | 4,407.88                        |
| <b>III Total Income (I+II)</b>  |       | <b>7,19,232.61</b>              | <b>6,41,370.79</b>              |
| <b>EXPENSES</b>   |       |                                 |                                 |
| Finance costs   | 30    | 2,52,757.92                     | 2,33,339.00                     |
| Impairment on financial instruments   | 31    | -                               | 4,880.31                        |
| Employee benefit expenses   | 32    | 1,36,253.36                     | 1,45,781.24                     |
| Depreciation, amortisation and impairment   | 13    | 25,850.72                       | 20,920.33                       |
| Other expenses  | 33    | 64,551.81                       | 75,669.48                       |
| <b>(IV) Total expense</b>   |       | <b>4,79,413.81</b>              | <b>4,80,590.36</b>              |
| <b>Profit/ (loss) before exceptional items and tax (III-IV)</b>   |       | <b>2,39,818.80</b>              | <b>1,60,780.45</b>              |
| Exceptional items   |       | -                               | -                               |
| <b>Profit/ (loss) before tax</b>  |       | <b>2,39,818.80</b>              | <b>1,60,780.45</b>              |
| Tax expense   | 34    |                                 |                                 |
| Current tax   |       | 53,527.00                       | 40,844.14                       |
| Deferred tax  |       | 4,549.72                        | (1,790.61)                      |
| Tax adjustment for earlier years  |       | 455.23                          | 12.75                           |
| Total tax expense   |       | 58,531.95                       | 39,066.28                       |
| <b>Profit/ (loss) after tax (III)</b>   |       | <b>1,81,286.85</b>              | <b>1,21,714.17</b>              |
| <b>OTHER COMPREHENSIVE INCOME</b>   |       |                                 |                                 |
| (i) Items that will not be reclassified to profit or loss   |       |                                 |                                 |
| -Remeasurements of Defined Benefit Obligation   |       | (181.00)                        | 83.00                           |
| -Income tax relating to items that will not be reclassified to profit and loss                                      |       | 46.00                           | (21.00)                         |
| <b>Total other comprehensive income (IV)</b>  |       | <b>(135.00)</b>                 | <b>62.00</b>                    |
| <b>Total comprehensive income (III+IV)</b>  |       | <b>1,81,151.85</b>              | <b>1,21,776.17</b>              |
| <b>Net profit attributable to: -</b>  |       |                                 |                                 |
| a) Owners of the parent   |       | 1,17,613.03                     | 76,418.81                       |
| b) Non controlling interest   |       | 63,673.82                       | 45,295.35                       |
| <b>Total comprehensive income attributable to: -</b>  |       |                                 |                                 |
| a) Owners of the parent   |       | 1,17,517.17                     | 76,457.70                       |
| b) Non controlling interest   |       | 63,634.68                       | 45,318.46                       |
| <b>Earning per equity share (EPS)</b>   | 35    |                                 |                                 |
| [nominal value of share ₹ 10]   |       |                                 |                                 |
| Basic (amount in ₹)   |       | 7.12                            | 4.88                            |
| Diluted (amount in ₹)   |       | 7.12                            | 4.88                            |
| Summary of material accounting policies and accompanying notes form an integral part of these financial statements. |       |                                 |                                 |

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This is the balance sheet referred to in our report of even date.

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
Firm Registration No. 012063N

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMT188

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Date: 22/05/2025  
Place: New Delhi

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800





**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2025**

(₹ in "000")

| Particulars   | For the year ended<br>on 31.03.2025 | For the year ended<br>on 31.03.2024 |
|---|-------------------------------------|-------------------------------------|
| <b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>         |                                     |                                     |
| Net profit/ (loss) before tax and exceptional items       | 2,39,818.80                         | 1,60,780.44                         |
| <u>Adjustments for items : -</u>                          |                                     |                                     |
| Depreciation & amortization expense                       | 25,850.72                           | 20,920.33                           |
| Impairment Loss on Financial instruments                  | (114.87)                            | -                                   |
| Finance costs   | 2,53,284.89                         | -                                   |
| Prior Period Items  | 177.00                              | -                                   |
| Re-measurements of Defined Benefit Obligation through OCI | (181.00)                            | -                                   |
| Interest income at amortised cost                         | (6,85,408.18)                       | -                                   |
| Fees and Commission Income                                | (21,315.48)                         | -                                   |
| Cash inflow from Interest Income                          | 6,43,153.90                         | -                                   |
| Cash inflow from Fees and Commission Income               | 30,738.12                           | -                                   |
| Cash outflow towards finance costs                        | (2,42,344.93)                       | -                                   |
| Dividend not recovered                                    | 9.00                                | -                                   |
| Income tax of previous year                               | (452.88)                            | 4,880.31                            |
| Unrealised gain from fair value changes                   | -                                   | (1,197.00)                          |
| Operating profit before working capital changes           | <b>2,43,215.09</b>                  | <b>1,85,386.07</b>                  |
| <u>Working capital adjustments : -</u>                    |                                     |                                     |
| (Increase)/ decrease in loans                             | (4,96,235.54)                       | (2,88,692.53)                       |
| (Increase)/ decrease in other bank balances               | -                                   | (11,140.50)                         |
| (Increase)/ decrease in other financial assets            | (8,162.63)                          | 29,012.90                           |
| (Increase)/ decrease in other non-financial assets        | 18,517.02                           | (18,785.66)                         |
| (Increase)/ decrease in current tax assets                | (935.65)                            | (2,083.71)                          |
| Increase/ (decrease) in lease liabilities                 | 8,416.76                            | -                                   |
| Increase/ (decrease) in provisions                        | 2,181.50                            | 1,100.80                            |
| Increase/ (decrease) in other financial liabilities       | 440.74                              | (8,370.74)                          |
| Increase/ (decrease) in other non-financial liabilities   | 542.73                              | 181.71                              |
| Cash generated from operations                            | (2,32,019.98)                       | (1,13,391.65)                       |
| Direct taxes paid   | (54,093.00)                         | (39,375.14)                         |
| <b><u>Net cash flow from operating activities (A)</u></b> | <b>(2,86,112.98)</b>                | <b>(1,52,766.79)</b>                |





**CASH FLOW FROM INVESTING ACTIVITIES**

|   |             |            |
|---|-------------|------------|
| Increase in Bank Balance other than Cash & Cash Equivalents | 50,000.50   | -          |
| Purchase of property, plant & equipments                    | (26,564.14) | (8,279.00) |
| Interest Earned on Fixed Deposits                           | 5,879.07    | -          |
| Sale of investments   | 500.00      | 10,049.70  |

**Net cash flow from investing activities ( B )**

**29,815.44 1,770.70**

**CASH FLOW FROM FINANCING ACTIVITIES**

|   |             |             |
|---|-------------|-------------|
| Net proceeds from issue of equity share capital | 39,800.00   | -           |
| Interest expense on lease liabilities           | (8,417.45)  | -           |
| Lease Rentals Paid                              | (20,307.42) | -           |
| Share premium                                   | 2,97,500.00 | -           |
| Share issue expenses                            | (427.00)    | -           |
| Net proceeds from borrowings                    | 43,446.49   | 1,28,319.32 |

**Net cash flow from financing activities ( C )**

**3,51,594.62 1,28,319.32**

Net cash flow during the year (A + B + C) 95,297.07 (22,676.77)

Add: Opening cash and cash equivalents 25,557.85 48,234.61

**Closing cash and cash equivalents 1,20,854.92 25,557.85**

**Components of cash and cash equivalents**

|  |           |           |
|--|-----------|-----------|
| Cash on hand                           | 53,474.55 | 19,395.76 |
| Balances with bank in current accounts | 67,380.37 | 6,162.09  |

**Total cash and cash equivalents 1,20,854.92 25,557.85**

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.

1-64

As per our report of even date

**FOR AJAY RATTAN & CO.**

Chartered Accountants

Firm Registration No. 012063N

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**CA. Varun Garg**  
Partner  
Membership No. 523588  
UDIN: 25523588BMJMMT188

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN: 01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN: 00274217

Date: 22/05/2025  
Place: New Delhi

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Rahul**  
Company Secretary  
Membership No.: 73800



**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2024**

Consolidated Statement of changes in Equity for the year ended 31st March 2025

(₹ in '000')

| A. | Balance as at 1 April 2024 | Changes in equity share capital due to | Restated balance as at 1 April 2024 | Changes in equity share capital during the | Balance as at 31 March 2025 |
|----|----------------------------|--|-------------------------------------|--|-----------------------------|
|    | 2,49,417.15                | -                                      | 2,49,417.15                         | 42,500.00                                  | 2,91,917.15                 |

**II. Previous reporting period**

|  | Balance as at 1 April 2023 | Changes in equity share capital due to prior period errors | Restated balance as at 1 April 2023 | Changes in equity share capital during the current year | Balance as at 31 March 2024 |
|--|----------------------------|--|-------------------------------------|---|-----------------------------|
|  | 2,49,417.15                | -  | 2,49,417.15                         | -   | 2,49,417.15                 |

**B. Other equity**

**I. Current reporting period**

| Particulars                             | Reserve & Surplus |                    |  |   | Equity instrument through other comprehensive in come | Total equity attributable to the owner of parents | Total equity attributable to Non controlling interest | Total        |
|---|-------------------|--------------------|--|---|---|---|---|--------------|
|   | Retained earnings | Securities premium | In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961 | Special reserve (u/s 45IC of RBI Act, 1934) |   |   |   |              |
| Balance as at 1st April 2024            | 1,82,124.47       | 1,63,006.25        | 80,723.90  | 8,656.13                                    | -   | 4,34,510.75                                       | 4,06,867.93   | 8,41,378.68  |
| Changes in prior period errors          | 125.68            | -                  | -  | -   | -   | 125.68  | 51.32   | 177.00       |
| Restated balance as at 1st April 2024   | 1,82,250.15       | 1,63,006.25        | 80,723.90  | 8,656.13                                    | -   | 4,34,636.43                                       | 4,06,919.25   | 8,41,555.68  |
| Profit for the year                     | 1,17,613.03       | -                  | -  | -   | -   | 1,17,613.03                                       | 63,673.82   | 1,81,286.85  |
| Shares issued at premium                | -                 | 2,97,500.00        | -  | -   | -   | 2,97,500.00                                       | -   | 2,97,500.00  |
| Less :- Share issue expenses            | -                 | (3,127.00)         | -  | -   | -   | (3,127.00)  | -   | (3,127.00)   |
| <b>Other comprehensive income (net)</b> |                   |                    |  |   |   |   |   |              |
| Total other comprehensive income        | (95.86)           | -                  | -  | -   | -   | (95.86)   | (39.14)   | (135.00)     |
| Total comprehensive income              | 1,17,517.17       | -                  | -  | -   | -   | 1,17,517.17                                       | 63,634.68   | 1,81,151.85  |
| Transfer to special reserves            | (2.19)            | -                  | -  | 2.19  | -   | -   | -   | -            |
| Appropriation to statutory reserves     | (36,255.00)       | -                  | 36,255.00  | -   | -   | -   | -   | -            |
| Less Adjustments                        | -                 | -                  | -  | -   | -   | -   | -   | -            |
| On issue of share capital by subsidiary | -                 | -                  | -  | -   | -   | -   | -   | -            |
| Balance as at 31st March 2025           | 2,63,510.13       | 4,57,379.25        | 1,16,978.90  | 8,658.32                                    | -   | 8,46,526.60                                       | 4,70,553.93   | 13,17,080.53 |

**II. Previous reporting period**

| Particulars   | Reserve & Surplus |                    |  |   | Equity instrument through other comprehensive in come | Total equity attributable to the owner of parents | Total equity attributable to Non controlling interest | Total       |
|---|-------------------|--------------------|--|---|---|---|---|-------------|
|   | Retained earnings | Securities premium | In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961 | Special reserve (u/s 45IC of RBI Act, 1934) |   |   |   |             |
| Balance as at 1st April 2023                        | 1,30,009.96       | 1,63,006.25        | 56,420.90  | 8,615.95                                    | -   | 3,58,053.05                                       | 3,61,549.47   | 7,19,602.52 |
| Changes in accounting policy or prior period errors | -                 | -                  | -  | -   | -   | -   | -   | -           |
| Restated balance as at 1st April 2024               | 1,30,009.96       | 1,63,006.25        | 56,420.90  | 8,615.95                                    | -   | 3,58,053.05                                       | 3,61,549.47   | 7,19,602.52 |
| Profit for the year                                 | 76,457.70         | -                  | -  | -   | -   | 76,457.70   | 45,318.46   | 1,21,776.16 |
| <b>Other comprehensive income (net)</b>             |                   |                    |  |   |   |   |   |             |
| income  | -                 | -                  | -  | -   | -   | -   | -   | -           |
| Total comprehensive income                          | 76,457.70         | -                  | -  | -   | -   | 76,457.70   | 45,318.46   | 1,21,776.16 |
| Transfer to special reserves                        | (24,303.00)       | -                  | 24,303.00  | -   | -   | -   | -   | -           |
| Appropriation to statutory reserves                 | (40.19)           | -                  | -  | 40.19                                       | -   | -   | -   | -           |
| On issue of share capital by subsidiary             | -                 | -                  | -  | -   | -   | -   | -   | -           |
| Balance as at 31st March 2024                       | 1,82,124.47       | 1,63,006.25        | 80,723.90  | 8,656.13                                    | -   | 4,34,510.75                                       | 4,06,867.93   | 8,41,378.68 |

Notes to the consolidated financial statements  
As per our report of even date

**FOR AJAY RATTAN & CO.**  
Chartered Accountants  
Firm Registration No. 012063N

Sd/-  
CA. Varun Garg  
Partner  
Membership No. 523588  
UDIN: 25523588BJMMT188

Date: 22/05/2025  
Place: New Delhi

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
Gopal Bansal  
Managing Director  
DIN: 01246420

Sd/-  
Manoj Kumar Gupta  
CFO  
PAN: AEUPG8308R

Sd/-  
Mukesh Sharma  
Director  
DIN: 00274217

Sd/-  
Rahul  
Company Secretary  
Membership No.: 73800





**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

Notes to Consolidated financial statements for the year ended 31 March 2025

**1 Corporate Information**

**NOTE 1**

India Finsec Limited was incorporated on 10th day of August 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non-Banking Finance Company in India. The company has Regn No./SEBI Listed Scrip code INE474O01010.

**2 Basis for preparation of Consolidation Financial Statements:**

**NOTE 2**

**(a) Compliance with Ind AS**

These Consolidated Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto & the Companies Act, 2013.

**(b) Basis of measurement/ Use of estimate**

(i) The Consolidated Financial Statements are prepared on going concern and accrual basis under the historical cost convention.

(ii) The preparation of Consolidated Financial Statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the Consolidated Financial Statements and the reported amount of revenues and expenses during the reporting period.

**(c) New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter**

The Company has adopted certain new accounting standards and amendments effective from April 1, 2024. Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Company's financial statements as the Company has not entered into any insurance contracts.

Further, an amendment to Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. Since the Company has not undertaken any such transactions, the amendment did not affect its financial statements. As of the reporting date, there are no new standards that have been notified but are not yet effective.

**(d) Recent Accounting Pronouncements:** During the year no new accounting pronouncements have been notified which are applicable from 1 April 24 or thereafter.

**(e) Functional and presentation currency**

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest thousands (up to two decimals), except as stated otherwise.

**3 Principles of Consolidation**

**NOTE 3**

The consolidated financial statements comprise of the holding company India Finsec Limited and its subsidiary in accordance with the requirements of

Ind AS 110- Consolidated Financial Statements. The consolidated financial statements have been prepared on the following bases: -

- 3.1** The financial statements of the holding Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- 3.2** Profits or losses resulting from intra-group transactions that are recognized in assets, such as Commission income are eliminated in full.
- 3.3** Goodwill represents the difference between the Company's share in the net worth of subsidiary and the cost of acquisition at each point of time of making the investment in the subsidiary.
- 3.4** The financial statements of the subsidiary company used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2025.
- 3.5** The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- 3.6** The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- 3.7** The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated statement of profit & loss being the profit or loss on disposal of investment in subsidiary.
- 3.8** Non-Controlling Interest's share of profit / loss of consolidated subsidiary for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- 3.9** Non-Controlling Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet.

Changes in a parent's ownership interest after control is obtained that do not result in a change in control of the subsidiary are accounted for as equity transactions. The carrying amount of the non-controlling interest is adjusted to reflect the change in the non-controlling interest's ownership interest in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized in equity and attributed to the parent's equity holders.





**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

Notes to Consolidated financial statements for the year ended 31 March 2025

**4 Material Accounting policy**

**NOTE 4**

A summary of the material accounting policies applied in the preparation of the Consolidation Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Consolidation Financial Statements.

**(4.a) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand, which are subject to an insignificant risk of changes in value. 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 if they are considered an integral part of the Company's cash management.

**(4.b) Financial Instruments:**

**(4.b.i) Financial Assets**

**Recognition and initial measurement:-**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees earned on disbursement of loan assets have been recognized in revenue over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

**Subsequent measurement:-**

**Equity instrument and Mutual Fund:** - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

**Debt instrument:** - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**De-Recognition of financial Assets:-**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

**(4.b.ii) Financial Liabilities :-**

**Recognition and initial measurement:-**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees paid on borrowed loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

**Subsequent measurement:-**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

**De-recognition of financial liabilities**

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**(4.b.iii) Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)**

All equity investments in entities are measured (except equity investment in joint venture and subsidiary) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to

**(4.b.iv) Off setting of financial instrument:-**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

**(4.b.v) Impairment of Financial Assets:-**



**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

Notes to Consolidated financial statements for the year ended 31 March 2025

**Equity instruments, Debt Instruments and Mutual Fund:** -In accordance with Ind-AS 109, the company applies expected credit loss model for measurement and recognition of impairment loss for financial assets. 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 company expects to receive.

**(4.b.vi) Other Financial Assets:** - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

**(4.b.vii) Expected Credit Loss (ECL):-**

Financial assets where no significant increase in credit risk has been observed are considered to be in 'Stage 1' and for which a 12-month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'Stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'Stage 3'. Lifetime ECL is recognised for the financial assets categorised under 'Stage 2' and 'Stage 3'.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months. In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('Lifetime ECL'). Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

**(4.c) Property plant and equipment (PPE)**

**Initial recognition and measurement**

Property, plant and equipments ("PPE") are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipments have different useful lives, they are recognized separately.

Spare parts are capitalized when they meet the definition of PPE, i.e. when the Company intends to use these for a period exceeding 12 months.

On transition to IND AS, the Company has elected to continue with the carrying value of all of its PPE recognized, measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

**Depreciation**

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

In circumstance, where a PPE is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

| Particulars of PPE    | Useful life (in years) |
|-----------------------|------------------------|
| Furniture and fixture | 10                     |
| Vehicles              | 8                      |
| Office equipment      | 5                      |
| Computer              | 3                      |
| Plant and Machinery   | 15                     |

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss. At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

**(4.d) Intangible assets and amortisation**

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written-down value method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(4.e) Investment property**

**Recognition and initial measurement**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.





**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

Notes to Consolidated financial statements for the year ended 31 March 2025

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

**Subsequent measurement (depreciation and useful lives)**

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act.

| Asset Category Useful Life       | (in years) |
|----------------------------------|------------|
| Buildings and related equipments | 60         |

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

**De-recognition**

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

(4.f)

**Leases :**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

**As a lessee (Assets taken on lease)**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognize lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

**Lease Liabilities**

At the commencement date of the lease, the Company recognize lease liabilities measured at the present value of lease payments to be made over the contractual lease term, for which enforceable rights is available. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion on interest and reduced for the lease payment made.

**Right-of-use**

The Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying assets is available for use). Right-of-use are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Perpetual Right of Use assets related to land are not depreciated but tested for impairment loss, if any.

**Short-term lease and lease of low-value-assets**

The Company applies the short -term lease recognition exemption to its short-term leases of Property, Plant and Equipment (ie those leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemptions to lease that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefits.

**As a lessor**

Rental income from operating lease is recognized on straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefits derived from the assets given on lease.

(4.g)

**Revenue recognition**

With Effective 1st April 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

**(4.g.i) Interest Income :** The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and other incomes attributable to acquisition of a financial assets.





**INDIA FINSEC LIMITED**  
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Notes to Consolidated financial statements for the year ended 31 March 2025

**(4.g.ii) Dividend Income:** Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

**(4.g.iii) Other revenue from operations :** The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

**a. Fees and commission income:**

The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis

Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

**b. Net gain on fair value changes:**

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

**c. Other operating income:**

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

**(4.h) Expenditures**

**Finance Costs:**

Borrowing costs on financial liabilities are recognised using the EIR.

**Other Expenses:**

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

**(4.i) Employee benefits**

**(4.ii) Short-term employee benefits: -**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**(4.iii) Post-Employment Benefits:**

**> Defined Contribution Plan**

**Provident Fund:** The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees.

**Employee State Insurance:** The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees.

**> Defined Benefit Plans**

**Gratuity:** The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.





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**Leave Encashment:** The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**(4.j) Taxations**

Provision for current tax is made as per the provision of the Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax return with respect to applicable tax regulations which are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the Balance Sheet method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured based on tax rates (and tax law) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

**(4.k) Earning Per Share**

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**(4.l) Provision, contingent liabilities and contingent assets**

**Provision:** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

**Contingent Liability:** Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

**5 Major Estimates and Judgements made in preparing Consolidated Financial Statements**

**NOTE 5**

The preparation of the Company's Consolidated Financial Statements requires management to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these judgments and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.



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**(5.a) JUDGEMENTS**

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the Consolidated Financial Statements:

**Materiality**

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the Consolidated Financial Statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

**Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter. In the similar line, management also on the basis of best judgment and estimate determines the net realizable value of the Inventories to make necessary provision.

**(5.b) MAJOR ESTIMATES**

The key assumptions concerning the future and other key sources of estimation 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.

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.

**Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.





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| Particular   | (₹ in "000")        |                     |
|--|---------------------|---------------------|
|  | As at<br>31 Mar 25  | As at<br>31 Mar 24  |
| <b>Cash and cash equivalents</b>                         | <b>NOTE 6</b>       |                     |
| Cash on hand (as certified)                              | 53,474.55           | 19,395.76           |
| <u>Balances with banks</u>                               |                     |                     |
| - In current account                                     | 67,380.37           | 6,162.09            |
| <u>In Other Deposit Accounts</u>                         |                     |                     |
| - In fixed deposits (maturities less than 3 months)      | -                   | -                   |
| <b>TOTAL</b>   | <b>1,20,854.92</b>  | <b>25,557.85</b>    |
| <b>Bank balance other than cash and cash equivalents</b> | <b>NOTE 7</b>       |                     |
| - In fixed deposits (maturities upto 3 months)           | -                   | 500.00              |
| - In fixed deposits (maturities more than 3 months)      | 39,387.50           | 88,888.00           |
| <b>TOTAL</b>   | <b>39,387.50</b>    | <b>89,388.00</b>    |
| <b>Loans</b>   | <b>NOTE 8</b>       |                     |
| <u>(A) Loans</u>   |                     |                     |
| Term loans   | -                   | 3,611.45            |
| Housing loans  | 11,31,425.00        | 15,06,502.00        |
| Loan against property                                    | 81,191.00           | 1,27,622.00         |
| Loan against gold jewellery                              | 21,05,211.00        | 11,56,916.00        |
| <b>TOTAL GROSS (A)</b>                                   | <b>33,17,827.00</b> | <b>27,94,651.45</b> |
| Less: impairment loss allowance (expected credit loss)   | (19,667.00)         | (19,782.29)         |
| <b>TOTAL NET (A)</b>                                     | <b>32,98,160.00</b> | <b>27,74,869.16</b> |
| (B) (i) Secured by tangible assets                       | 33,17,827.00        | 27,91,040.00        |
| (ii) Secured by intangible assets                        | -                   | -                   |
| (ii) Unsecured   | -                   | 3,611.45            |
| <b>TOTAL GROSS (B)</b>                                   | <b>33,17,827.00</b> | <b>27,94,651.45</b> |
| Less: Impairment loss allowance (expected credit loss)   | (19,667.00)         | (19,782.29)         |
| <b>TOTAL NET (B) (II)</b>                                | <b>32,98,160.00</b> | <b>27,74,869.16</b> |
| (C) (I) Loans in India                                   | -                   | -                   |
| (i) Public sector  | -                   | -                   |
| (ii) Others  | 33,17,827.00        | 27,94,651.45        |
| <b>TOTAL GROSS (c) (I)</b>                               | <b>33,17,827.00</b> | <b>27,94,651.45</b> |
| Less: impairment loss allowance (expected credit loss)   | (19,667.00)         | (19,782.29)         |
| <b>TOTAL NET (c) (I)</b>                                 | <b>32,98,160.00</b> | <b>27,74,869.16</b> |
| (II) Loans outside India                                 | -                   | -                   |
| Less: Impairment loss allowance (expected credit loss)   | -                   | -                   |
| <b>TOTAL NET (c) (II)</b>                                | <b>-</b>            | <b>-</b>            |
| <b>TOTAL NET (c) (I) and (II)</b>                        | <b>32,98,160.00</b> | <b>27,74,869.16</b> |

Additional disclosure in respect of loan and advance :-

| Particulars  | As at 31st March 2025      |   | As at 31st March 2024      |   |
|--|----------------------------|---|----------------------------|---|
|  | Amount of loan outstanding | Percentage of the total loan and advances | Amount of loan outstanding | Percentage of the total loan and advances |
| Loans and advances granted to promoters, directors, KMPs and other related parties | Nil                        | Nil                                       | Nil                        | Nil                                       |

|                                  |                  |                  |
|----------------------------------|------------------|------------------|
| <b>Investments</b>               | <b>NOTE 9</b>    |                  |
| <u>In India</u>                  |                  |                  |
| (a) Debenture 11.5%              | -                | 500.00           |
| <b>Net fair value (a-b)</b>      | <b>-</b>         | <b>500.00</b>    |
| <b>Other financial assets</b>    | <b>NOTE 10</b>   |                  |
| Security deposits                | 5,754.32         | 4,650.00         |
| Accrued interest on FDR          | 4,371.08         | 3,582.00         |
| Accrued interest on Others       | 174.68           | 121.00           |
| Balances with Govt Authorities   | -                | 20.00            |
| Cash collateral                  | 2,062.66         | 3,563.00         |
| Others                           | 8,850.00         | 1,594.00         |
| <b>TOTAL</b>                     | <b>21,212.74</b> | <b>13,530.00</b> |
| <b>Current Tax assets (Net)</b>  | <b>NOTE 11</b>   |                  |
| Balance with revenue authorities | 3,157.89         | 2,131.85         |
| Provision for income tax         | (138.53)         | (48.14)          |
| <b>Total</b>                     | <b>3,019.36</b>  | <b>2,083.71</b>  |



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|  | NOTE 12    | (₹ in "000") |
|--|------------|--------------|
| Deferred tax assets (net)                        |            |              |
| At start of the year                             | 19,733.34  | 17,963.77    |
| Credit/ (charge) to statement of profit and loss | (4,549.72) | 1,790.61     |
| Credit/ (charge) to other comprehensive income   | 46.00      | (21.00)      |
| At end of the year                               | 15,229.62  | 19,733.38    |

Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

| Timing difference on accounts of :- | For the year ended on 31st March 2025 |  |                   |                 |
|-------------------------------------|---------------------------------------|--|-------------------|-----------------|
|                                     | Opening balance                       | Recognised in statement of profit and loss | Recognised in OCI | Closing balance |
| Property, plant & equipment         | 2,151.86                              | 795.13                                     | -                 | 2,946.99        |
| Others                              | 17,581.52                             | (5,344.89)                                 | 46.00             | 12,282.63       |
| Total                               | 19,733.38                             | (4,549.76)                                 | 46.00             | 15,229.62       |

| Timing difference on accounts of :- | For the year ended on 31st March 2024 |  |                   |                 |
|-------------------------------------|---------------------------------------|--|-------------------|-----------------|
|                                     | Opening balance                       | Recognised in statement of profit and loss | Recognised in OCI | Closing balance |
| Property, plant & equipments        | 1,744.88                              | 406.98                                     | -                 | 2,151.86        |
| Others                              | 16,218.89                             | 1,383.63                                   | (21.00)           | 17,581.52       |
| Total                               | 17,963.77                             | 1,790.61                                   | (21.00)           | 19,733.38       |

Property, plant & Equipment

NOTE 13

Property, plant & equipment

NOTE 13.1

Carrying amount: -

|                      |           |           |
|----------------------|-----------|-----------|
| Furniture & fixtures | 11,738.26 | 8,652.04  |
| Vehicles             | 941.70    | 1,346.70  |
| Office equipments    | 4,959.75  | 3,179.36  |
| Computers            | 1,056.88  | 1,427.41  |
| Plant & machinery    | 893.73    | 1,090.73  |
| TOTAL                | 19,590.33 | 15,696.24 |

|   | Building  | Office premises | Furniture & fixtures | Vehicles | Office equipments | Computers | Plant & Machinery | Total       |
|---|-----------|-----------------|----------------------|----------|-------------------|-----------|-------------------|-------------|
| Cost or Deemed Cost: -                      |           |                 |                      |          |                   |           |                   |             |
| Balance as at 1st April 2023                | -         | 91,183.50       | 13,873.79            | 2,508.53 | 9,282.33          | 10,243.61 | 1,765.67          | 1,28,857.43 |
| Additions during the year                   | -         | 6,187.00        | 2,717.00             | 1,106.00 | 881.00            | 776.41    | -                 | 11,667.41   |
| Asset disposed/ written off during the year | -         | -               | -                    | -        | -                 | -         | -                 | -           |
| Balance as at 31st March 2024               | -         | 97,370.50       | 16,590.79            | 3,614.53 | 10,163.33         | 11,020.02 | 1,765.67          | 1,40,524.84 |
| Additions during the year                   | 12,366.00 | 39,971.00       | 6,364.00             | 66.00    | 3,785.14          | 488.00    | -                 | 63,040.14   |
| Asset disposed/ written off during the year | -         | -               | -                    | -        | -                 | -         | -                 | -           |
| Balance as at 31st March 2025               | 12,366.00 | 1,37,341.50     | 22,954.79            | 3,680.53 | 13,948.47         | 11,508.02 | 1,765.67          | 2,03,564.98 |
| Accumulated depreciation: -                 |           |                 |                      |          |                   |           |                   |             |
| Balance as at 1st April 2023                | -         | 23,185.50       | 5,654.45             | 1,992.36 | 5,479.89          | 7,842.13  | 432.94            | 44,587.28   |
| Charge for the year                         | -         | 12,082.00       | 2,284.30             | 275.47   | 1,504.08          | 1,750.48  | 242.00            | 18,138.33   |
| Adjusted on assets disposed/ written off    | -         | -               | -                    | -        | -                 | -         | -                 | -           |
| Balance as at 31st March 2024               | -         | 35,267.50       | 7,938.75             | 2,267.83 | 6,983.97          | 9,592.61  | 674.94            | 62,725.61   |
| Charge for the year                         | 510.00    | 15,497.68       | 3,277.78             | 471.00   | 2,004.73          | 858.53    | 197.00            | 22,816.72   |
| Adjusted on assets disposed/ written off    | -         | -               | -                    | -        | -                 | -         | -                 | -           |
| Balance as at 31st March 2025               | 510.00    | 50,765.18       | 11,216.53            | 2,738.83 | 8,988.70          | 10,451.14 | 871.94            | 85,542.32   |
| Carrying amount: -                          |           |                 |                      |          |                   |           |                   |             |
| Balance as at 31st March 2024               | -         | 62,103.00       | 8,652.04             | 1,346.70 | 3,179.36          | 1,427.41  | 1,090.73          | 77,799.23   |
| Balance as at 31st March 2025               | 11,856.00 | 86,577.00       | 11,738.26            | 941.70   | 4,959.77          | 1,056.88  | 893.73            | 1,18,023.33 |

All the above property, plant & equipment are owned by the company unless specified otherwise.

The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.





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Notes to Consolidated financial statements for the year ended 31 March 2025

(₹ in "000")

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| <b>ROU</b>                           | <b>NOTE 13.2</b> |                  |
| Office premises (right of use asset) | 86,577.00        | 62,103.00        |
| <b>Total</b>                         | <b>86,577.00</b> | <b>62,103.00</b> |

|                            |                  |          |
|----------------------------|------------------|----------|
| <b>Investment property</b> | <b>NOTE 13.3</b> |          |
| Residential flat           | 11,856.00        | -        |
| <b>Total</b>               | <b>11,856.00</b> | <b>-</b> |

(i) Amount recognised in profit and loss for investment properties

| Particulars   | 31-Mar-25    | 31-Mar-24 |
|---|--------------|-----------|
| Rental income   | 550.00       | -         |
| Less: Direct operating expenses that generated rental income        | -            | -         |
| Less: Direct operating expenses that did not generate rental income | -            | -         |
| Profit from leasing of investment properties                        | -            | -         |
| Less: Depreciation for the year                                     | 510.00       | -         |
| <b>Profit after depreciation</b>                                    | <b>40.00</b> | <b>-</b>  |

(ii) Fair Value of investment properties

| Particulars  | 31-03-2025       | 31-03-2024 |
|--------------|------------------|------------|
| Fair value   | 11,856.00        | -          |
| <b>Total</b> | <b>11,856.00</b> | <b>-</b>   |

(iii) Leasing arrangements

The aforementioned investment property is leased under long term operating lease agreements with rentals payable monthly. Minimum payments expected to be received under non - cancellable subleases at the balance sheet date:-

| Particulars                                  | 31-03-2025      | 31-03-2024 |
|--|-----------------|------------|
| Not later than 1 year                        | 600.00          | -          |
| Later than 1 year but not later than 3 years | 710.00          | -          |
| <b>Total</b>                                 | <b>1,310.00</b> | <b>-</b>   |

The investment property was purchased during the current year itself therefore the fair value of the property was taken as per the stamp duty value and the same was executed at the market rate.

|                                |                 |                 |
|--------------------------------|-----------------|-----------------|
| <b>Other intangible assets</b> | <b>NOTE 14</b>  |                 |
| Carrying amount:-              |                 |                 |
| Software                       | 9,747.00        | 9,290.00        |
| <b>TOTAL</b>                   | <b>9,747.00</b> | <b>9,290.00</b> |

**Cost or deemed cost:-**

|  |           |
|--|-----------|
| Balance as at 1st April 2023                 | 18,005.51 |
| Additions during the year                    | 2,838.00  |
| Balance as at 31st March 2024                | 20,843.51 |
| Additions during the year                    | 3,494.00  |
| Assets disposal/ written off during the year | -         |
| Balance as at 31st March 2025                | 24,337.51 |

**Accumulated Depreciation:-**

|                               |           |
|-------------------------------|-----------|
| Balance as at 1st April 2023  | 8,772.99  |
| Charge for the year           | 2,782.00  |
| Balance as at 31st March 2024 | 11,554.99 |
| Charge for the year           | 3,034.00  |
| Balance as at 31st March 2025 | 14,588.99 |

**Carrying amount:-**

|                               |          |
|-------------------------------|----------|
| Balance as at 31st March 2024 | 9,290.00 |
| Balance as at 31st March 2025 | 9,747.00 |



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Notes to Consolidated financial statements for the year ended 31 March 2025

(₹ in "000")

|   |                     |                     |
|---|---------------------|---------------------|
| <b>Other non-financial assets</b>               | <b>NOTE 15</b>      |                     |
| GST Receivable                                  | 954.59              | 19,495.59           |
| Prepaid expenses                                | 2,799.00            | 2,283.00            |
| Other Receivables                               | 17.37               | 9.00                |
| <b>TOTAL</b>                                    | <b>3,770.96</b>     | <b>21,787.59</b>    |
| <b>Borrowings (other than debt securities)</b>  | <b>NOTE 16</b>      |                     |
| <u>Secured</u>                                  |                     |                     |
| <u>At Amortised Cost</u>                        |                     |                     |
| Term loans:                                     |                     |                     |
| - From banks                                    | 4,21,289.00         | 5,13,902.00         |
| - From other non-banking financial institutions | 11,25,653.00        | 8,72,581.00         |
| - From national housing bank                    | 34,717.00           | 62,792.00           |
| Overdraft:                                      |                     |                     |
| - From banks                                    | 71,618.00           | 2,00,358.00         |
| - others  | -                   | 7,800.00            |
|   | <b>16,53,277.00</b> | <b>16,57,433.00</b> |
| <u>Unsecured</u>                                |                     |                     |
| <u>At Amortised Cost</u>                        |                     |                     |
| <u>Term Loans:</u>                              |                     |                     |
| - From Other Non-Banking Financial Companies    | 2,24,685.00         | 1,74,564.00         |
| <b>TOTAL</b>                                    | <b>2,24,685.00</b>  | <b>1,74,564.00</b>  |
| <b>Out of above:</b>                            |                     |                     |
| In India  | <b>18,77,962.00</b> | <b>18,31,997.00</b> |
| Outside India                                   | -                   | -                   |
| <b>Lease Liability</b>                          | <b>NOTE 17</b>      |                     |
| Lease liability*                                | 99,309.00           | 71,228.00           |
| <b>TOTAL</b>                                    | <b>99,309.00</b>    | <b>71,228.00</b>    |

\* Disclosed as required by IND AS 116

| Particulars                             | 31-03-2025  | 31-03-2024  |
|---|-------------|-------------|
| Balance as at the beginning of the year | 71,227.72   | 74,136.00   |
| Add:                                    |             |             |
| Addition during the year                | 39,970.88   | 10,155.00   |
| Interest on lease Liability             | 8,417.45    | 6,359.00    |
| Less:                                   |             |             |
| Derecognised during the year            | -           | (4,459.00)  |
| Lease Rental Payments                   | (20,307.05) | (14,963.00) |
| Balance as at the end of the year       | 99,309.00   | 71,228.00   |

**Maturity Analysis of Lease Liability**

| Particulars         | 31-03-2025       | 31-03-2024       |
|---------------------|------------------|------------------|
| Less than One year  | 84.80            | 456.00           |
| One to five Year    | 22,834.20        | 11,012.00        |
| More than five Year | 76,390.00        | 59,760.00        |
| <b>Total</b>        | <b>99,309.00</b> | <b>71,228.00</b> |

**Other financial liabilities**

**NOTE 18**

|   |                  |                  |
|---|------------------|------------------|
| Other expenses payable                  | 12,970.30        | 12,888.00        |
| Statutory Dues Payable                  | 4,744.74         | 3,645.00         |
| Interest accrued on loan                | 8,981.88         | 9,458.82         |
| Other Payables                          | 457.24           | 574.00           |
| Service Charges Deferment As Per IND AS | 350.00           | 500.00           |
| <b>TOTAL</b>                            | <b>27,506.16</b> | <b>27,065.82</b> |
| Less:- Intra Company balances           | (480.00)         | (500.00)         |
| <b>TOTAL</b>                            | <b>27,026.16</b> | <b>26,565.82</b> |



**INDIA FINSEC LIMITED**  
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Notes to Consolidated financial statements for the year ended 31 March 2025

(₹ in "000")

|                                      |                 |                  |
|--------------------------------------|-----------------|------------------|
| <b>Current Tax Liabilities (Net)</b> | <b>NOTE 19</b>  |                  |
| Provision for tax                    | 9,585.00        | 10,151.00        |
| <b>Total</b>                         | <b>9,585.00</b> | <b>10,151.00</b> |

|                                 |                 |                 |
|---------------------------------|-----------------|-----------------|
| <b>Provisions</b>               | <b>NOTE 20</b>  |                 |
| Provision for employee benefits |                 |                 |
| - Gratuity                      | 5,503.00        | 3,601.00        |
| - Leave encashment              | 945.50          | 666.00          |
| <b>TOTAL</b>                    | <b>6,448.50</b> | <b>4,267.00</b> |

|  |                 |               |
|--|-----------------|---------------|
| <b>Other non financial liabilities</b> | <b>NOTE 21</b>  |               |
| Payable to government authorities      | 68.93           | 96.61         |
| Advance interest received on loans     | 988.25          | 170.00        |
| Expenses payable                       | -               | 247.76        |
| <b>TOTAL</b>                           | <b>1,057.18</b> | <b>514.37</b> |

| Equity share capital                          | NOTE 22               |             |                       |             |
|---|-----------------------|-------------|-----------------------|-------------|
|   | As at 31st March 2025 |             | As at 31st March 2024 |             |
|   | Nos.                  | (₹ in "000) | Nos.                  | (₹ in "000) |
| Authorized shares                             |                       |             |                       |             |
| Equity shares of ₹ 10 each with voting rights | 3,00,00,000           | 3,00,000.00 | 3,00,00,000           | 3,00,000.00 |
| Issued, subscribed and fully paid- up shares  | 3,00,00,000           | 3,00,000.00 | 3,00,00,000           | 3,00,000.00 |

| Reconciliation of number of equity shares and amount outstanding |                       |                    |                       |                    |
|--|-----------------------|--------------------|-----------------------|--------------------|
|  | As at 31st March 2025 |                    | As at 31st March 2024 |                    |
|  | Nos.                  | (₹ in "000)        | Nos.                  | (₹ in "000)        |
| Equity Shares  |                       |                    |                       |                    |
| - At the beginning of the period                                 | 2,49,41,715           | 2,49,417.15        | 2,49,41,715           | 2,49,417.15        |
| - Issued during the year   | 42,50,000.00          | 42,500.00          | -                     | -                  |
| <b>Total outstanding at the end of the period</b>                | <b>2,91,91,715</b>    | <b>2,91,917.15</b> | <b>2,49,41,715</b>    | <b>2,49,417.15</b> |

**Term: and rights attached to equity shares**

Note- During the year on 14 February 2025 the company has allotted 42,50,000 equity shares of Rs 10/- each, consequent to conversion of equal number warrants issued during the year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018.

The company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian ₹. The dividend proposed by the Board of Directors is subject to 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 the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**Details of shareholders holding more than 5% shares in the company:-**

|                                    | As at 31st March 2025 |               | As at 31st March 2024 |               |
|------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                    | Nos.                  | % holding     | Nos.                  | % holding     |
| Fidelo Foods (P) Ltd.              | 45,37,050             | 15.54%        | 45,37,050             | 18.19%        |
| Mukesh Sharma                      | 12,92,540             | 4.43%         | 12,92,540             | 5.18%         |
| Precious Tradeways Private Limited | 14,12,971             | 4.84%         | 14,07,654             | 5.64%         |
| Ganga Devi Bansal                  | 21,13,000             | 7.24%         | 17,38,000             | 6.97%         |
| Gopal Bansal                       | 40,15,741             | 13.76%        | 40,44,141             | 16.10%        |
| Sunita Bansal                      | 12,95,530             | 4.44%         | 12,95,530             | 5.19%         |
| Escorp Asset Management Limited    | 20,00,000             | 6.85%         | -                     | 0.00%         |
| Radhey Kishan                      | 15,06,217             | 5.16%         | -                     | 0.00%         |
| <b>Total</b>                       | <b>1,81,73,049</b>    | <b>62.26%</b> | <b>1,43,14,915</b>    | <b>57.27%</b> |

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Details of shares held by promoters in the company**

| Promoter Name                      | 31st March 2025    |                   | 31st March 2024    |                   | % Change during the year |
|------------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------------|
|                                    | No of Shares       | % of total Shares | No of Shares       | % of total Shares |                          |
| Gopal Bansal                       | 40,44,141          | 13.85%            | 40,44,141          | 16.21%            | -                        |
| Sunita Bansal                      | 12,95,530          | 4.44%             | 12,95,530          | 5.19%             | -                        |
| Mukesh Sharma                      | 12,92,540          | 4.43%             | 12,92,540          | 5.18%             | -                        |
| Manoj Sharma                       | 7,60,665           | 2.61%             | 7,60,665           | 3.05%             | -                        |
| Gopal Bansal Huf                   | 3,95,000           | 1.35%             | 3,95,000           | 1.58%             | -                        |
| Ganga Devi Bansal                  | 21,13,000          | 7.24%             | 17,38,000          | 6.97%             | 0.22                     |
| Fidelo Foods Private Limited       | 45,37,050          | 15.54%            | 45,37,050          | 18.19%            | -                        |
| Daisy Distributors Private Limited | 10,18,275          | 3.49%             | 10,18,275          | 4.08%             | -                        |
| Arvind Kumar Bansal                | 3,75,000           | 1.28%             | -                  | 0.01%             | 100.00%                  |
| Nidhi Bansal                       | 5,00,000           | 1.71%             | -                  | 0.01%             | 100.00%                  |
| <b>Total</b>                       | <b>1,63,31,201</b> | <b>55.94%</b>     | <b>1,50,81,201</b> | <b>60.47%</b>     | <b>8.29%</b>             |

There is a change in promoters shareholding during the period ended March 31 2025 and March 31 2024.



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Notes to Consolidated financial statements for the year ended 31 March 2025

(₹ in '000')

|  |             | NOTE 23     |  |
|--|-------------|-------------|--|
| <b>Other equity</b>  |             |             |  |
| <b>Statutory Reserves</b>  |             |             |  |
| Special reserve (u/s 45IC of RBI Act, 1934)  |             |             |  |
| Balance as per last balance sheet  | 8,656.13    | 8,615.95    |  |
| Add: Transfer from surplus   | 2.19        | 40.19       |  |
| Closing balance  | 8,658.32    | 8,656.13    |  |
| In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961                   |             |             |  |
| Balance as per last financial statements   | 80,723.90   | 56,420.90   |  |
| Add: Transferred during the year   | 36,255.00   | 24,303.00   |  |
| Closing balance  | 1,16,978.90 | 80,723.90   |  |
| <b>Securities premium</b>  |             |             |  |
| Opening balance  | 1,63,006.25 | 1,63,006.25 |  |
| Add/(Less): issue/ (transfer) during the year  | 2,94,373.00 | -           |  |
| Closing balance  | 4,57,379.25 | 1,63,006.25 |  |
| <b>Retained earnings</b>   |             |             |  |
| Balance as per last financial statements   | 1,82,124.47 | 1,30,009.96 |  |
| Add/(Less): Profit/ (loss) for the year  | 1,17,613.03 | 76,457.70   |  |
| Less: Adjustment   | 125.68      | -           |  |
| Less: OCI income/(expense)   | (95.86)     | -           |  |
| Less: Transfer to special reserve u/s 45-IC of RBI Act   | (2.19)      | (40.19)     |  |
| Less: Transfer to special reserve u/s 29C of NHB Act, 1987 and Section 36(1)(viii) of Income tax Act, 1961 | (36,255.00) | (24,303.00) |  |
| Net surplus in statement of profit and loss  | 2,63,510.13 | 1,82,124.47 |  |
| <b>Equity instruments through other comprehensive income</b>   |             |             |  |
| Opening balance  | -           | -           |  |
| Add/(Less): Addition/ (deletion) during the year   | -           | -           |  |
| Closing balance  | -           | -           |  |
|  | 8,46,526.60 | 4,34,510.75 |  |

(i) Nature and purpose of other reserves

**General reserve**

General reserve is created out of the accumulated profits of the Company as per the provisions of Companies Act.

**Retained earnings**

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

**Other comprehensive income**

Other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value through other comprehensive income and gain/(loss) booked on re-measurement of defined benefit plans.

**Security Premium**

Any premium received on the issue of shares cumulates to this reserve account.

**Statutory Reserve**

Statutory reserves are the special reserve maintained for the transfer of certain percentage of profits under the specified Statutes.

**Interest income**

NOTE 24

On financial assets measured at amortised cost

|                                   |             |             |
|-----------------------------------|-------------|-------------|
| - on loans                        | 6,79,555.27 | 6,03,450.47 |
| - Interest on deposits with banks | 5,879.07    | 8,451.00    |
| - interest on debentures          | 43.13       | 57.50       |

|              |                    |                    |
|--------------|--------------------|--------------------|
| <b>TOTAL</b> | <b>6,85,477.47</b> | <b>6,11,958.97</b> |
|--------------|--------------------|--------------------|



INDIA FINSEC LIMITED  
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Notes to Consolidated financial statements for the year ended 31 March 2025

(₹ in "000")

|   |                    |                    |
|---|--------------------|--------------------|
| <b>Fees and Commission Income</b>   | <b>NOTE 25</b>     |                    |
| Fees and Other charges  | 21,315.48          | 19,549.00          |
| <b>TOTAL</b>  | <b>21,315.48</b>   | <b>19,549.00</b>   |
| <b>Net gain on fair value changes</b>   | <b>NOTE 26</b>     |                    |
| On Financial instruments designated through P&L                                 | -                  | 1,197.00           |
| Fair value changes:   | -                  | -                  |
| - Realised  | -                  | 1,197.00           |
| - Unrealised  | -                  | -                  |
| <b>TOTAL</b>  | <b>-</b>           | <b>1,197.00</b>    |
| <b>Income from shares &amp; securities</b>                                      | <b>NOTE 27</b>     |                    |
| Opening value of shares & securities (held at FVTPL)                            | -                  | 56.50              |
| Less: Closing value of shares & securities (held at FVTPL)                      | -                  | -                  |
| Less: Sale of shares and securities   | -                  | 68.44              |
| Net gain/(loss) on fair value changes   | -                  | 11.94              |
| Realised  | -                  | 11.94              |
| Unrealised  | -                  | -                  |
| <b>TOTAL</b>  | <b>-</b>           | <b>11.94</b>       |
| <b>Other Operating Revenue</b>  | <b>NOTE 28</b>     |                    |
| Other income from operation   | 4,717.26           | 4,246.00           |
| <b>TOTAL</b>  | <b>4,717.26</b>    | <b>4,246.00</b>    |
| <b>Other income</b>   | <b>NOTE 29</b>     |                    |
| Other interest income   | 322.05             | 338.00             |
| Interest on refund  | 5,122.35           | 4.88               |
| Impairment income   | 10.29              | -                  |
| Advertisement Income  | 285.00             | 3,405.00           |
| Other income  | 1,982.71           | 660.00             |
| <b>TOTAL</b>  | <b>7,722.40</b>    | <b>4,407.88</b>    |
| <b>Finance cost</b>   | <b>NOTE 30</b>     |                    |
| <u>On financial liabilities measured at amortised cost:</u>                     |                    |                    |
| - Interest on borrowings  | 2,415,144.7        | 2,25,553.00        |
| <u>On financial liabilities measured at fair value through profit and loss:</u> |                    |                    |
| - Interest on lease liability   | 8,417.45           | 6,358.00           |
| Bank Charges  | 2,826.00           | 1,428.00           |
| <b>TOTAL</b>  | <b>2,52,757.92</b> | <b>2,33,339.00</b> |
| <b>Impairment on financial instruments</b>                                      | <b>NOTE 31</b>     |                    |
| On Financial Instruments measured at amortised cost                             |                    |                    |
| - Loans   | -                  | 4,880.31           |
| <b>TOTAL</b>  | <b>-</b>           | <b>4,880.31</b>    |
| <b>Employee benefit expenses</b>  | <b>NOTE 32</b>     |                    |
| Salaries and allowances   | 1,17,975.98        | 1,28,243.00        |
| Employer contribution to ESIC   | 6.24               | 6.24               |
| Employer contribution to PF   | 5,956.00           | 8,366.00           |
| Staff welfare expenses  | 1,645.68           | 2,381.00           |
| Trainee Expenses  | 57.34              | -                  |
| Bonus and other incentives  | 10,612.12          | 6,713.00           |
| Sitting fee to directors  | -                  | 72.00              |
| <b>TOTAL</b>  | <b>1,36,253.36</b> | <b>1,45,781.24</b> |





INDIA FINSEC LIMITED  
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Notes to Consolidated financial statements for the year ended 31 March 2025

|   |                        | (₹ in "000")           |
|---|------------------------|------------------------|
| <b>Other expenses</b>   | <b>NOTE 33</b>         |                        |
| Advertisement expenses  | 1,976.98               | 1,272.42               |
| Bad Debts written off   | 356.26                 | -                      |
| Business Development  | 72.00                  | 7,289.00               |
| Commission expense  | 47.00                  | 113.80                 |
| Communication expenses  | 580.00                 | 1,022.00               |
| Conveyance expenses   | 4,270.44               | 12,285.78              |
| Document handling & storage and related expense   | 2,017.00               | 829.00                 |
| Donations   |                        |                        |
| - for corporate social responsibility   | 1,547.00               | 1,501.00               |
| Fees & subscription   | 4,741.95               | 3,514.72               |
| Less: Inter branch transaction  | (850.00)               | (500.00)               |
| GST reversal u/s 42   | 122.60                 | 70.22                  |
| Interest and penalties on statutory dues  | 1,689.29               | 7.00                   |
| Insurance expense   | 3,597.00               | 2,975.00               |
| Legal & professional charges  | 17,606.80              | 16,794.42              |
| Listing fees  | -                      | 325.00                 |
| Other expenses  | 8,491.32               | 8,978.46               |
| Payment to statutory auditors   |                        |                        |
| - towards audit fees  | 365.00                 | 240.00                 |
| - towards certification and consultancy   | 25.00                  | 38.00                  |
| Postage, stamp & couriers   | 315.00                 | 795.00                 |
| Printing and stationery   | 1,131.71               | 1,487.66               |
| Rent, rates and taxes   | 5,520.00               | 5,077.00               |
| Sitting fee   | 272.50                 | 172.00                 |
| Software expense  | 4,411.00               | 4,195.00               |
| Server maintenance charges  | 1,979.00               | 697.00                 |
| Tour and traveling expenses   | 680.96                 | 299.00                 |
| Vehicle running and maintenance expenses  | 2,336.00               | 4,191.00               |
| Debt Syndication Charges  | 1,250.00               | 2,000.00               |
| <b>TOTAL</b>  | <b>64,551.81</b>       | <b>75,669.48</b>       |
| <b>Income tax</b>   | <b>NOTE 34</b>         |                        |
| Tax expense comprises of:   |                        |                        |
| Current tax   | 53,527.00              | 40,844.14              |
| Deferred tax charge   | 4,549.72               | (1,790.61)             |
| Earlier years tax adjustments (net)   | 455.23                 | 12.75                  |
| <b>Income tax expense reported in the statement of profit and loss</b>  | <b>58,531.95</b>       | <b>39,066.28</b>       |
| The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.167% and the reported tax expense in profit or loss are as follows: |                        |                        |
| <b>Accounting profit before income tax</b>  | <b>239,818.80</b>      | <b>1,60,780.45</b>     |
| At India's statutory income tax rate of 25.167%   | 60,357.60              | 40,465.22              |
| <b>Tax effect of amounts which are not deductible (taxable) in</b>  |                        |                        |
| Tax impact of expenses which will never be allowed  | -                      | 1,594.00               |
| Earlier years tax adjustments (net)   | 455.23                 | 12.75                  |
| Others  | (2,280.88)             | (3,005.69)             |
| <b>Income tax expense</b>   | <b>58,531.95</b>       | <b>39,066.28</b>       |
| <b>Earning Per Shares: (in ₹)</b>   | <b>NOTE 35</b>         |                        |
| <b>Profit for the year (₹)</b>  | <b>18,12,86,846.77</b> | <b>12,17,14,165.67</b> |
| Amount available for equity shareholders (₹)  | 18,12,86,846.77        | 12,17,14,165.67        |
| Total number of Equity shares outstanding at the beginning of the year  | 2,49,41,715.00         | 2,49,41,715.00         |
| Total number of Equity shares outstanding at the end of the year  | 2,49,41,715.00         | 2,49,41,715.00         |
| Weighted average number of equity shares  | 2,54,65,687.60         | 2,49,41,715.00         |
| Earning per share - Basic and diluted (₹)   | 7.12                   | 4.88                   |
| Face value per equity share (₹)   | 10.00                  | 10.00                  |



**INDIA FINSEC LIMITED**  
CIN: L65923DL1994PLC060827  
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

**Retirement benefit plan of the subsidiary company:**

**NOTE 36**

**(i) Defined Contribution Plan:**

- a Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 34.93 Lakhs (March 31, 2024: Rs. 64.44 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.
- b Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 5.62 lakhs (March 31, 2024: Rs. 14.40 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

**(ii) Defined Benefit Plan**

**Gratuity (unfunded):** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net Liability/(assets) recognised in the Balance Sheet:

(₹ in 000's)

| Particular                             | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Present value of obligation at the end | 5,503.00             | 3,600.99             |

Net benefit expense recognised in Statement of Profit and Loss

| Particular   | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Service Cost   | 1,462.00             | 967.02               |
| Net Interest Cost  | 259.00               | 199.43               |
| Total expense recognised in the employee benefit expense | 1,721.00             | 1,166.45             |

Details of changes in present value of defined benefit obligations as follows:

| Particular  | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Present value of obligation as at the beginning of the year | 3,601.00             | 2,709.62             |
| Service cost  | 1,462.00             | 967.02               |
| Net Interest Cost   | 259.00               | 199.43               |
| Re-measurements   | 361.00               | (82.98)              |
| Benefit paid  | (180.00)             | (192.10)             |
| Liability Transferred In / (Out) – Net                      | -                    | -                    |
| Contribution paid to fund                                   | -                    | -                    |
| Present value of obligation as at the end of the year       | 5,503.00             | 3,600.99             |

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

| Particular                 | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------|----------------------|----------------------|
| i) Discount rate           | 7.18%                | 7.18%                |
| ii) Future salary increase | 15.00%               | 15.00%               |
| iii) Withdrawal Rate       | 30.00%               | 30.00%               |
| iv) Mortality Rate         | 100.00%              | 100.00%              |



**Notes:**

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

**Leave Encashment:** The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 6.66 Lakhs.

**Corporate Social Responsibility Expense (CSR)**

**NOTE 37**

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

| (₹ in 000's)                        |                              |                              |
|-------------------------------------|------------------------------|------------------------------|
| Particulars                         | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| For Corporate Social Responsibility | 1,547.10                     | 1,501.00                     |
| <b>Total</b>                        | <b>1,547.10</b>              | <b>1,501.00</b>              |

| Particulars   | Year ended<br>March 31, 2025  | Year ended<br>March 31, 2024  |
|---|---|---|
| a) Gross amount required to be spent by the Company during the year   | 1,844.00  | 1,201.00  |
| b) Un-utilised Amount brought forward from previous year  | -   | -   |
| c) Excess Amount spent last year brought forward *  | 300.00  | -   |
| d) Amount of Expenditure incurred during the year   | 1,547.10  | 1,501.00  |
| e) Shortfall at the end of the year   | -   | -   |
| f) Total of Previous Year Shortfall   | -   | -   |
| g) Un-utilised Amount carried forward to next year  | -   | -   |
| h) Excess Amount spent carried forward to next year *   | (3.10)  | (300.00)  |
| i) Nature of CSR Activities   | Eradicating<br>hunger, poverty<br>and malnutrition,<br>promoting health<br>care including<br>preventive health<br>and sanitation. | Eradicating<br>hunger, poverty<br>and malnutrition,<br>promoting health<br>care including<br>preventive health<br>and sanitation. |
| j) Details of related party transactions e.g. contribution to a trust controlled by the<br>company in relation to CSR expenditure as per relevant Indian Accounting Standard.                 | Nil   | Nil   |
| k) where a provision is made with respect to a liability incurred by entering into a<br>contractual obligations, the movements in the provision during the year shall be shown<br>separately. | Nil   | Nil   |





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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**NOTE 38**

Related parties :-

As per Ind AS 24, the disclosures of transactions with the related parties are given below: -

(a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

|       |  |   |
|-------|--|---|
| (i)   | Subsidiary Company   | M/s. IFL Finance Limited (Subsidiary)           |
| (ii)  | Key Management Personnel   | Gopal Bansal (Managing Director)                |
|       |  | Mukesh Sharma (Director)                        |
|       |  | Manoj Kumar Gupta (CFO)                         |
|       |  | Purva Mangal (Director)                         |
|       |  | Amit Kumar Agarwal (Director)                   |
|       |  | Devi Dass Agarwal (Director)                    |
| (iii) | Relatives of Key Management Personnel  | Rahul (Company Secretary)                       |
|       |  | Ganga Devi Bansal (Mother of Managing Director) |
| (iv)  | Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives | Sunita Bansal (Wife of Managing Director)       |
|       |  | M/s. Gopal Bansal (HUF)                         |

(b) Transactions made with the "Related parties" during the year: -

**(₹ in 000's)**

| S.No.             | Transaction with                         | Nature of transaction | Transaction during the year |               |
|-------------------|--|-----------------------|-----------------------------|---------------|
|                   |  |                       | March 31 2025               | March 31 2024 |
| (i)               | Key Management Personnel: -              |                       |                             |               |
|                   | Mr. Gopal Bansal                         | Loan taken            | -                           | 800.00        |
|                   |  | Loan repaid           | -                           | 800.00        |
|                   |  | Interest paid         | -                           | 8.877         |
|                   |  | Loan given            | 9,500.00                    | -             |
|                   |  | Loan received back    | 9,500.00                    | -             |
|                   | Mr. Mukesh Sharma                        | Sitting fees          | -                           | 12.00         |
|                   | Ms. Himansi Kashyap                      | Sitting fees          | -                           | 7.00          |
|                   | Mr. Manoj Kumar Gupta                    | Remuneration          | 1,289.40                    | 1,200.00      |
|                   | Mr. Rahul                                | Remuneration          | 94.98                       | -             |
| Mrs. Purva Mangal | Sitting fees                             | -                     | 23.00                       |               |
| (ii)              | Relatives of Key Management Personnel: - |                       |                             |               |
|                   | Mrs. Ganga Devi                          | Issue of shares       | 30,000.00                   | -             |

(c) Closing balances with "Related parties" at the end of the year: -

**(₹ in 000's)**

| S.No. | Transaction with   | Description  | Balance as at |               | (in 000 ₹) |
|-------|--|--------------|---------------|---------------|------------|
|       |  |              | March 31 2025 | March 31 2024 |            |
| (i)   | Key Management Personnel: -  |              |               |               |            |
|       | Mr. Mukesh Sharma  | Sitting fees | -             | -             |            |
|       | Ms. Himansi Kashyap  | Sitting fees | -             | -             |            |
|       | Mr. Manoj Kumar Gupta  | Remuneration | 107.45        | 89.23         |            |
| (ii)  | Relatives of Key Management Personnel: - None  |              |               |               |            |
| (iii) | Enterprises owned or significantly influenced by Key Management Personnel or their Relatives: - None |              |               |               |            |

**NOTE 39**

**Financial instruments**

**Fair values hierarchy**

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Financial instruments by category

Categories of Financial Instruments and its fair value measurement

(₹ in 000's)

| Particulars                             | March 31 2025 |       |                     | March 31 2024 |       |                     |
|---|---------------|-------|---------------------|---------------|-------|---------------------|
|   | FVTPL         | FVOCI | Amortised cost      | FVTPL         | FVOCI | Amortised cost      |
| <b>Financial assets</b>                 |               |       |                     |               |       |                     |
| Investment in Debentures                | -             | -     | -                   | -             | -     | 500.00              |
| Investment in Mutual Fund               | -             | -     | -                   | -             | -     | -                   |
| Investment in quoted equity instruments | -             | -     | -                   | -             | -     | -                   |
| Trade receivables                       | -             | -     | -                   | -             | -     | -                   |
| Loans                                   | -             | -     | 32,98,160.00        | -             | -     | 27,74,869.16        |
| Cash and cash equivalents               | -             | -     | 1,20,854.92         | -             | -     | 25,557.85           |
| Other bank balances                     | -             | -     | 39,387.50           | -             | -     | 89,388.00           |
| Other financial assets                  | -             | -     | 21,212.74           | -             | -     | 13,530.00           |
| <b>Total financial assets</b>           | -             | -     | <b>34,79,615.16</b> | -             | -     | <b>29,03,845.01</b> |
| <b>Financial liabilities</b>            |               |       |                     |               |       |                     |
| Borrowings                              | -             | -     | 18,77,962.00        | -             | -     | 18,31,997.00        |
| Trade payables                          | -             | -     | -                   | -             | -     | -                   |
| Other financial liabilities             | -             | -     | 27,026.16           | -             | -     | 26,565.82           |
| Lease Liability                         | -             | -     | 99,309.00           | -             | -     | 71,228.00           |
| <b>Total financial liabilities</b>      | -             | -     | <b>20,04,297.16</b> | -             | -     | <b>19,29,790.82</b> |

Investment in subsidiary is measured at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

| Particulars                        | Level   | March 31 2025       |                     | March 31 2024       |                     |
|------------------------------------|---------|---------------------|---------------------|---------------------|---------------------|
|                                    |         | Carrying value      | Fair value          | Carrying value      | Fair value          |
| <b>Financial assets</b>            |         |                     |                     |                     |                     |
| Loans                              | Level 3 | 32,98,160.00        | 32,98,160.00        | 27,74,869.16        | 27,74,869.16        |
| Other financial assets             | Level 3 | 21,212.74           | 21,212.74           | 13,530.00           | 13,530.00           |
| <b>Total financial assets</b>      |         | <b>33,19,372.74</b> | <b>33,19,372.74</b> | <b>27,88,399.16</b> | <b>27,88,399.16</b> |
| <b>Financial liabilities</b>       |         |                     |                     |                     |                     |
| Borrowings                         | Level 3 | 18,77,962.00        | 18,77,962.00        | 18,31,997.00        | 18,31,997.00        |
| Other financial liabilities        | Level 3 | 27,026.16           | 27,026.16           | 97,793.82           | 97,793.82           |
| Lease liability                    | Level 3 | 99,309.00           | 99,309.00           | 71,228.00           | 71,228.00           |
| <b>Total financial liabilities</b> |         | <b>20,04,297.16</b> | <b>20,04,297.16</b> | <b>20,01,018.82</b> | <b>20,01,018.82</b> |

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included 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 subsidiary company is considered in the Consolidated financial statements:-

NOTE 40

| S.No. | Name of Subsidiary       | Country of incorporation | % of Equity holding either directly or through subsidiary |                       |
|-------|--------------------------|--------------------------|---|-----------------------|
|       |                          |                          | As at 31st March 2025                                     | As at 31st March 2024 |
| (i)   | Subsidiary               |                          |   |                       |
|       | M/s. IFL Finance Limited | India                    | 71.01%  | 62.72%                |

NOTE 41

Additional information pursuant to the requirements of Schedule-III of the Companies Act, 2013 in Consolidated Financial Statements is as under:-

| Name of the entity in the group | Net Assets                        |                       | Share in Profit and Loss               |                       | Share in other Comprehensive Income               |                       | Share in total Comprehensive Income               |                       |
|---------------------------------|-----------------------------------|-----------------------|--|-----------------------|---|-----------------------|---|-----------------------|
|                                 | As a % of consolidated net assets | Amount (Rs. In "000") | As a % of consolidated profit and loss | Amount (Rs. In "000") | As a % of consolidated other comprehensive income | Amount (Rs. In "000") | As a % of consolidated Total comprehensive Income | Amount (Rs. In "000") |
| <b>Parent</b>                   |                                   |                       |  |                       |   |                       |   |                       |
| India Finsec Limited            | 0.72%                             | 11,567.64             | 0.01%                                  | 10.94                 | -   | -                     | 0.01%   | 10.94                 |
| <b>Subsidiary</b>               |                                   |                       |  |                       |   |                       |   |                       |
| IFL Finance Limited             | 99.28%                            | 15,97,430.00          | 99.99%                                 | 1,81,275.72           | 100.00%   | -135.00               | 99.99%  | 1,81,140.72           |
| <b>Total</b>                    | <b>100.00%</b>                    | <b>16,08,997.64</b>   | <b>100.00%</b>                         | <b>1,81,286.66</b>    | <b>100.00%</b>                                    | <b>-135.00</b>        | <b>100.00%</b>                                    | <b>1,81,151.66</b>    |





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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Contingent Liabilities:

NOTE 42

(₹ in 000's)

| S.No. | Particular  | For the year ended 31st March 2025 | For the year ended 31st March 2024 |
|-------|---|------------------------------------|------------------------------------|
|       | Contingent liabilities not provided for: -  |                                    |                                    |
| (i)   | Guarantees issued to Financial Institutions/ Bankers for loans taken by IFL Finance Limited | 21,15,000.00                       | 21,35,000.00                       |
| (ii)  | Pending litigations by/ against the Company   | -                                  | -                                  |
|       | <b>Total</b>  | <b>21,15,000.00</b>                | <b>21,35,000.00</b>                |

FINANCIAL RISK MANAGEMENT

NOTE 43

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk                        | Exposure arising from   | Measurement                 | Management  |
|-----------------------------|---|-----------------------------|---|
| Credit risk                 | Cash and cash equivalents, loans, Investments, trade receivables, other financial assets. | Ageing analysis             | Bank deposits, diversification of asset base, credit limits and collateral. |
| Liquidity risk              | Borrowings and other liabilities  | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities.            |
| Market risk - interest rate | Long-term borrowings at variable rates  | Sensitivity analysis        | Negotiation of terms that reflect the market factors.                       |

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables, Loans and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low  
B: Medium  
C: High

The Company provides for expected credit loss based on the following:

|        | Basis of categorisation  | Provision for expected credit loss                              |
|--------|--|---|
| Low    | Cash and cash equivalents, investments, other bank balances, loans, trade receivables other financial assets | Life time expected credit loss or 12 month expected credit loss |
| Medium | Trade receivables and other financial asset  | Life time expected credit loss or 12 month expected credit loss |
| High   | Trade receivables and other financial asset  | Life time expected credit loss fully provided for               |

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

| Credit rating | March 31 2025 | 31 March 2024 |
|---------------|---------------|---------------|
| A: Low        | -             | -             |
| B: Medium     | -             | -             |
| C: High       | -             | -             |



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**Interest rate risk**

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

| Particulars             | 31 March 2025       | 31 March 2024       |
|-------------------------|---------------------|---------------------|
| Variable rate borrowing | 18,77,962.00        | 18,24,197.00        |
| Fixed rate borrowing    | -                   | 7,800.00            |
| <b>Total borrowings</b> | <b>18,77,962.00</b> | <b>18,31,997.00</b> |

**Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars                                  | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Interest rates – increase by 50 basis points | 2,42,820.49   | 2,36,877.21   |
| Interest rates – decrease by 50 basis points | (2,42,820.49) | (2,36,877.21) |

**NOTE 44**

**Capital management**

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios -

| Particulars                     | 31 March 2025 | 31 March 2024 |
|---------------------------------|---------------|---------------|
| Net debt*                       | 18,86,945.88  | 18,41,455.82  |
| Total equity                    | 11,38,443.75  | 6,83,927.91   |
| <b>Net debt to equity ratio</b> | <b>1.66</b>   | <b>2.69</b>   |

\*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

**NOTE 45**

**Revenue recognised in relation to contract liabilities**

Ind AS 115 requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarised below:

| Description   | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Contract liabilities at the beginning of the year       | -             | -             |
| Less: performance obligations satisfied in current year | -             | -             |
| Add: advance received during the year                   | -             | -             |
| Contract liabilities at the end of the year             | -             | -             |

**Disaggregation of revenue**

Revenue arises mainly from the Interest income on loans and commission income.

| Description                    | 31 March 2025      | 31 March 2024      |
|--------------------------------|--------------------|--------------------|
| Interest Income                | 6,85,477.47        | 6,11,958.97        |
| Dividend Income                | -                  | -                  |
| Net gain on fair value changes | -                  | 1,197.00           |
| Other Operating Revenue        | -                  | 4,246.00           |
| Fees & Commission Income       | 21,315.48          | 19,549.00          |
| Income from Sale of Shares     | 4,717.26           | 11.94              |
|                                | <b>7,11,510.21</b> | <b>6,36,962.91</b> |



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| Geographical markets | 31 March 2025      | 31 March 2024      |
|----------------------|--------------------|--------------------|
| India                | 7,11,510.21        | 6,36,962.91        |
| Others               | -                  | -                  |
|                      | <b>7,11,510.21</b> | <b>6,36,962.91</b> |

Reconcile the amount of revenue recognised in the statement of profit and loss with the contracted price

| Description                              | 31 March 2025      | 31 March 2024      |
|--|--------------------|--------------------|
| Revenue recognised during the year       | 7,11,510.21        | 6,36,962.91        |
| Less: Discount, rebates, credits etc.    | -                  | -                  |
| Add/Less: Any adjustment during the year | -                  | -                  |
| <b>Revenue as per the contract</b>       | <b>7,11,510.21</b> | <b>6,36,962.91</b> |

Timing of Revenue recognition:

| Description                                | 31 March 2025      | 31 March 2024      |
|--|--------------------|--------------------|
| <b>Revenue recognised at point in time</b> |                    |                    |
| Interest Income, Sale of securities        | 7,11,010.21        | 6,36,462.91        |
| <b>Revenue recognised over time</b>        |                    |                    |
| commission income                          | 500.00             | 500.00             |
|  | <b>7,11,510.21</b> | <b>6,36,962.91</b> |

Event occurring after balance sheet date

NOTE 46

a) On 15-04-2025 the company has intimated to stock exchange vide board resolution dated 15-04-2025 that the company has decided to surrender the NBFC-ICC certificate of Registration in order to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC. The Company will act as an unregistered Core Investment Company (CIC) upon receipt of approval for cancellation of its Certificate of Registration (CoR) as a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC), as the Company meets the eligibility criteria to operate as an unregistered Core Investment Company (CIC).

b) The subsidiary has changed its name from IFL Housing Finance Limited to IFL Finance Limited as required by Reserve Bank of India (RBI). A new Certificate of Incorporation reflecting the updated name was issued on 8th April 2025. Additionally, the original Certificate of Registration (CoR) as a Housing Finance Company, issued in the name of IFL Housing Finance Limited, was submitted to the RBI Delhi Office on 9th April 2025 for the issuance of a new CoR under the Company's revised classification as NBFC-ICC.

NOTE 47

Additional Regulatory Disclosures

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

(ii) Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.





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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARENDED 31 MARCH 2025

**(vi) Utilization of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee security or the like to or on behalf of the ultimate beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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.

**(vii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(viii) Details of crypto currency or virtual currency**

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

**(ix) Valuation of Property, Plant & Equipment, intangible asset and investment property**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

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

The Subsidiary company holds an investment property valued at cost

**(xi) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period. Corporate Guarantee given by the company to subsidiary company is not liable for charge registration.

**Ratio Analysis and its components**

NOTE 48

| S.No. | Particulars                                  | 31st March 2025   | 31st March 2024 | % change from March 31, 2024 to March 31, 2025 |
|-------|--|---|-----------------|--|
| 1     | Capital to risk -weighted asset ratio (CRAR) | 0.26  | 0.23            | 13.99%   |
| 2     | Tier I CRAR                                  | 0.22  | 0.18            | 23.63%   |
| 3     | Tier II CRAR                                 | 0.03  | 0.04            | 0.00%  |
| 4     | Liquidity Coverage Ratio                     | The company inflows are more than outflow in the next 30 days, thus not applicable. |                 | 0.00%  |

**Components of Ratio**

| S.No. | Ratios                                       | Numerator                        | Denominator          | March 31st 2025 |              | March 31st 2024 |              |
|-------|--|----------------------------------|----------------------|-----------------|--------------|-----------------|--------------|
|       |  |                                  |                      | Numerator       | Denominator  | Numerator       | Denominator  |
| 1     | Capital to risk -weighted asset ratio (CRAR) | Tier I Capital + Tier II Capital | Risk Weighted Assets | 14,34,679.14    | 55,66,894.12 | 9,34,711.71     | 41,34,473.72 |
| 2     | Tier I CRAR                                  | Tier I                           | Risk weighted asset  | 12,52,288.13    | 55,66,894.12 | 7,52,320.70     | 41,34,473.72 |
| 3     | Tier II CRAR                                 | Tier II                          | Risk weighted asset  | 1,82,391.02     | 55,66,894.12 | 1,82,391.02     | 41,34,473.72 |
| 4     | Liquidity Coverage Ratio                     | HQLA                             | Net cash flow        | -               | -            | -               | -            |

**Reasons for variance of more than 25% in above ratios**

|       |  |    |
|-------|--|----|
| (i)   | Capital to risk -weighted asset ratio (CRAR) | NA |
| (ii)  | Tier I CRAR                                  | NA |
| (iii) | Tier II CRAR                                 | NA |
| (iv)  | Liquidity Coverage Ratio                     | NA |



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Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

The below mentioned disclosures relates to financial information of subsidiary company (IFL Finance Limited), all figures are represented in Rs ,000s

Note 49

| Particulars<br>Liabilities side  |              | As at March 31, 2025                    | Amount Overdue |
|--|--------------|---|----------------|
|  |              | Amount Outstanding                      |                |
| (1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:                  |              |   |                |
| (a) Debentures : Secured   |              | -                                       | -              |
| : Unsecured  |              | -                                       | -              |
| (other than falling within the meaning of public deposits")  |              |   |                |
| (b) Deferred Credits   |              | -                                       | -              |
| (c) Term Loans   | 18,86,900.00 |   | -              |
| (d) Inter-corporate loans and borrowing  |              | -                                       | -              |
| (e) Commercial Paper   |              | -                                       | -              |
| (f) Public Deposits*   |              | -                                       | -              |
| (g) Other Loans (specify nature)   |              | -                                       | -              |
| (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  |              | -                                       | -              |
| (b) In the form of partly secured debentures i.e. debentures   |              | -                                       | -              |
| (c) Other public deposits  |              | -                                       | -              |
| Asset side   |              | Amount Outstanding as at March 31, 2025 |                |
| (3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:       |              |   |                |
| (a) Secured  |              |   | 33,17,827.00   |
| (b) Unsecured  |              |   | -              |
| (4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities   |              |   |                |
| (i) Lease assets including lease rentals under sundry debtors  |              |   |                |
| (a) Financial Lease  |              |   | -              |
| (b) Operating Lease  |              |   | -              |
| (ii) Stock on hire including hire charges under sundry debtors   |              |   |                |
| (a) Assets on Hire   |              |   | -              |
| (b) Repossessed Assets   |              |   | -              |
| (iii) Other loans counting towards asset financing activities  |              |   |                |
| (a) Loans where assets have been repossessed   |              |   | -              |
| (b) Loans other than (a) above   |              |   | -              |
| (5) Break-up of Investments  |              |   |                |
| Current Investments  |              |   |                |
| a. Quoted  |              |   |                |
| (i) Shares   |              |   |                |
| (a) Equity   |              |   | -              |
| (b) Preference   |              |   | -              |
| (ii) Debentures and Bonds  |              |   | -              |
| (iii) Units of Mutual Funds  |              |   | -              |
| (iv) Government Securities   |              |   | -              |
| (v) Others   |              |   | -              |
| b. Unquoted  |              |   |                |
| (i) Shares   |              |   |                |
| (a) Equity   |              |   | -              |
| (b) Preference   |              |   | -              |
| (ii) Debentures and Bonds  |              |   | -              |
| (iii) Units of Mutual Funds  |              |   | -              |
| (iv) Government Securities   |              |   | -              |
| (v) Others   |              |   | -              |
| Long Term Investments  |              |   |                |
| a. Quoted  |              |   |                |
| (i) Shares   |              |   |                |
| (a) Equity   |              |   | -              |
| (b) Preference   |              |   | -              |
| (ii) Debentures and Bonds  |              |   | -              |
| (iii) Units of Mutual Funds  |              |   | -              |
| (iv) Government Securities   |              |   | -              |
| (v) Others   |              |   | -              |
| b. Unquoted  |              |   |                |
| (i) Shares   |              |   |                |
| (a) Equity   |              |   | -              |
| (b) Preference   |              |   | -              |
| (ii) Debentures and Bonds  |              |   | -              |
| (iii) Units of Mutual Funds  |              |   | -              |
| (iv) Government Securities   |              |   | -              |
| (v) Others   |              |   | -              |





| 6. Borrower group-wise classification of assets financed as in (3) and (4) above:  |  |           |              |
|--|--|-----------|--------------|
| Category   | Amount Net of Provision as at March 31, 2025 |           |              |
|  | Secured                                      | Unsecured | Total        |
| 1. Related Parties   |  |           |              |
| (a) subsidiary   | -  | -         | -            |
| (b) Companies in the same group  | -  | -         | -            |
| (b) Other Related Parties  | -  | -         | -            |
| 2. Other than Related Parties  | 32,98,160.00                                 | -         | 32,98,160.00 |
| Total  | 32,98,160.00                                 | -         | 32,98,160.00 |
| 7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :   |  |           |              |
| Category   | Amount Net of Provision as at March 31, 2025 |           |              |
|  | Secured                                      | Unsecured | Total        |
| 1. Related Parties   |  |           |              |
| (a) subsidiary   | -  | -         | -            |
| (b) Companies in the same group  | -  | -         | -            |
| (b) Other Related Parties  | -  | -         | -            |
| 2. Other than Related Parties  | -  | -         | -            |
| Total  | -  | -         | -            |
| ** As per notified Indian Accounting Standard (Please see Note 3)  |  |           |              |
| 8. Other Information   |  |           |              |
| Particulars  | Amount as at March 31, 2025                  |           |              |
| (i) Gross Non-Performing Assets  |  |           |              |
| (a) Related Parties  |  |           | -            |
| (b) Other Than Related Parties   |  |           | 22,198.00    |
| (ii) Net Non-Performing Assets   |  |           |              |
| (a) Related Parties  |  |           | -            |
| (b) Other Than Related Parties   |  |           | 15,131.00    |
| (iii) Asset acquired in satisfaction of Debt   |  |           | -            |
| Notes:   |  |           |              |
| a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.   |  |           |              |
| b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.   |  |           |              |
| c. All notified Indian Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above. |  |           |              |

**Additional Disclosures In Terms of NHB Guidelines**

**Note 50**

**1 Reserve Fund Under Section 29C of NHB Act, 1987**

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| <b>Balance at the beginning of the year</b>   |                      |                      |
| a) Statutory reserve fund u/s 29C of NHB Act 1987   | 33,742.00            | 12,464.00            |
| b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act, 1987   | 31,627.00            | 28,602.00            |
| c) Total  | 65,369.00            | 41,066.00            |
| <b>Addition/Appropriation/Withdraw</b>  |                      |                      |
| <b>Add:</b>   |                      |                      |
| a) Amount transferred u/s 29C of the NHB Act, 1987  | -                    | -                    |
| Current Year  | 34,270.00            | 21,278.00            |
| Previous Year Short Created   | -                    | -                    |
| b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987                                | 1,985.00             | 3,025.00             |
| <b>Less:</b>  |                      |                      |
| a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987  | -                    | -                    |
| b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 | -                    | -                    |



**Balance at the end of the year**

|  |                    |                  |
|--|--------------------|------------------|
| a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987  | 68,012.00          | 33,742.00        |
| b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987 | 33,612.00          | 31,627.00        |
| <b>c) Total</b>  | <b>1,01,624.00</b> | <b>65,369.00</b> |

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

**2 Investments**

| Particulars                               | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| <b>Value of Investments</b>               |                      |                      |
| (i) Gross value of investments            |                      |                      |
| (a) In India                              | -                    | -                    |
| (b) Outside India                         | -                    | -                    |
| (ii) Provision for depreciation           |                      |                      |
| (a) In India                              | -                    | -                    |
| (b) Outside India                         | -                    | -                    |
| (iii) Net value of investments            |                      |                      |
| (a) In India                              | -                    | -                    |
| (b) Outside India                         | -                    | -                    |
| <b>towards depreciation on</b>            |                      |                      |
| (i) Opening balance                       | -                    | -                    |
| (ii) Add: Provisions made during the year | -                    | -                    |
| (iii) Less: Write-off / written-bank of   | -                    | -                    |
| (iv) Closing balance                      | -                    | -                    |

**3 Derivatives**

**3.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| (i) The notional principal of swap agreements   | Not Applicable       | Not Applicable       |
| (ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | Not Applicable       | Not Applicable       |
| (iii) Collateral required by the HFC upon entering into swaps   | Not Applicable       | Not Applicable       |
| (iv) Concentration of credit risk arising from the swaps \$   | Not Applicable       | Not Applicable       |
| (v) The fair value of the swap book @   | Not Applicable       | Not Applicable       |

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

**3.2 Exchange Traded Interest Rate (IR) Derivative**

| Particulars  | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| (i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)               | Not Applicable       | Not Applicable       |
| (ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)        | Not Applicable       | Not Applicable       |
| (iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) | Not Applicable       | Not Applicable       |
| (iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)       | Not Applicable       | Not Applicable       |



### 3.3 Disclosures on Risk Exposure in Derivatives

#### A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence this clause is not applicable

#### B. Quantitative Disclosure

| Particulars                                 | As at March 31, 2025 |                           | As at March 31, 2024 |                           |
|---|----------------------|---------------------------|----------------------|---------------------------|
|   | Currency Derivatives | Interest Rate Derivatives | Currency Derivatives | Interest Rate Derivatives |
| (i) Derivatives (Notional Principal Amount) | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |
| (ii) Marked to Market Positions [1]         | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |
| (a) Assets (+)                              | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |
| (b) Liability (-)                           | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |
| (iii) Credit Exposure [2]                   | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |
| (iv) Unhedged Exposures                     | Not Applicable       | Not Applicable            | Not Applicable       | Not Applicable            |

### 3.4 Securitisation

| A | Particulars  | As at March 31, 2025 | As at March 31, 2024 |
|---|--|----------------------|----------------------|
|   | 1. No of SPVs sponsored by the HFC for securitisation transactions                               | Not Applicable       | Not Applicable       |
|   | 2. Total amount of securitised assets as per books of the SPVs sponsored                         | Not Applicable       | Not Applicable       |
|   | 3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet | Not Applicable       | Not Applicable       |
|   | (I) Off-balance sheet exposures towards  |                      |                      |
|   | credit enhancements  | Not Applicable       | Not Applicable       |
|   | (II) On-balance sheet exposures towards  |                      |                      |
|   | credit enhancements  | Not Applicable       | Not Applicable       |
|   | 4. Amount of exposures to securitisation transactions other than MRR                             | Not Applicable       | Not Applicable       |
|   | (I) Off-balance sheet exposures towards  |                      |                      |
|   | credit Enhancements  | Not Applicable       | Not Applicable       |
|   | a) Exposure to own securitizations   | Not Applicable       | Not Applicable       |
|   | b) Exposure to third party securitisations   | Not Applicable       | Not Applicable       |
|   | (II) On-balance sheet exposures towards  |                      |                      |
|   | credit enhancements  | Not Applicable       | Not Applicable       |
|   | a) Exposure to own securitisations   | Not Applicable       | Not Applicable       |
|   | b) Exposure to third party securitisations   | Not Applicable       | Not Applicable       |

\*Only the SPVs relating to outstanding securitisation transactions may be reported here

#### B. Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

| Particulars  | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| (i) No. of accounts  | Not Applicable       | Not Applicable       |
| (ii) Aggregate value (net of provisions) of accounts sold to SC / RC                       | Not Applicable       | Not Applicable       |
| (iii) Aggregate consideration  | Not Applicable       | Not Applicable       |
| (iv) Additional consideration realized in respect of accounts transferred in earlier years | Not Applicable       | Not Applicable       |
| (v) Aggregate gain / loss over net book value  | Not Applicable       | Not Applicable       |



**C Details of Assignment transactions undertaken by HFCs**

| Particulars  | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| (i) No. of accounts  | Not Applicable       | Not Applicable       |
| (ii) Aggregate value (net of provisions) of accounts sold to SC / RC                       | Not Applicable       | Not Applicable       |
| (iii) Aggregate consideration  | Not Applicable       | Not Applicable       |
| (iv) Additional consideration realized in respect of accounts transferred in earlier years | Not Applicable       | Not Applicable       |
| (v) Aggregate gain / loss over net book value  | Not Applicable       | Not Applicable       |

**D Details of non-performing financial assets purchased / sold**

**D.1 Details of non-performing financial assets purchased:**

| Particulars  | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| 1. (a) No. of accounts purchased during the year                 | -                    | -                    |
| (b) Aggregate outstanding  | -                    | -                    |
| 2. (a) Of these, number of accounts restructured during the year | -                    | -                    |
| (b) Aggregate outstanding  | -                    | -                    |

**D.2 Details of Non-performing Financial Assets sold:**

| Particulars                         | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|----------------------|----------------------|
| 1. No. of accounts sold             | -                    | -                    |
| 2. Aggregate outstanding            | -                    | -                    |
| 3. Aggregate consideration received | -                    | -                    |

**3.5 Exposure**

**A Exposure to Real Estate Sector**

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| <b>Category</b>   |                      |                      |
| <b>A) Direct Exposure</b>   |                      |                      |
| (i) Residential Mortgages -<br>Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;  | 12,10,718.00         | 16,30,454.00         |
| (i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh  | 11,00,492.00         | 14,51,129.00         |
| (ii) Commercial Real Estate -<br>Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; | 1,898.00             | 3,671.00             |
| (iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -   |                      |                      |
| a) Residential  | -                    | -                    |
| b) Commercial Real Estate   | -                    | -                    |
| <b>B) Indirect Exposure</b>   |                      |                      |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)   | -                    | -                    |
| <b>Total Exposure to Real Estate Sector</b>   | <b>12,12,616.00</b>  | <b>16,34,125.00</b>  |





| <b>B Exposure to Capital Market</b>  |                             |                             |  |
|--|-----------------------------|-----------------------------|--|
| <b>Particulars</b>   | <b>As at March 31, 2025</b> | <b>As at March 31, 2024</b> |  |
| (i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;   | -                           | -                           |  |
| (ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;  | -                           | -                           |  |
| (iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;  | -                           | -                           |  |
| (iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances; | -                           | -                           |  |
| (v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;  | -                           | -                           |  |
| (vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;   | -                           | -                           |  |
| (vii) bridge loans to companies against expected equity flows / issues;  | -                           | -                           |  |
| (viii) All exposures to Venture Capital Funds (both registered and unregistered)   | -                           | -                           |  |
| <b>Total Exposure to Capital Market</b>  | -                           | -                           |  |

**C Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC**

The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

**D Unsecured Advances**

The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

D.1

The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.

D.2

**Miscellaneous**

**Note 51**

**1 Disclosure of Penalties imposed by NHB and other regulators**

1) There is no penalty imposed by NHB or other regulator during FY 2024-25.

**2 Group Structure**

Diagrammatic representation of group structure is provided under Board of Director's Report.

**3 Rating assigned by Credit Rating Agencies and migration of rating during the year ( for subsidiary company)**

| <b>Instrument</b>         | <b>Rating Agency</b>   | <b>Rating</b>      | <b>Date of Rating</b> | <b>Valid Till</b> |
|---------------------------|------------------------|--------------------|-----------------------|-------------------|
| Long Term Bank Facilities | CRISIL Ratings Limited | CRISIL BBB-/Stable | 6th November 2024     | 5th November 2025 |





**4 Management**

As provided in Board of Directors' Report.

**5 Net Profit or Loss for the period, prior period items and changes in accounting policies**

| Particulars                            | Year ended March 31, 2025 |
|--|---------------------------|
| Net Profit for the period (before tax) | 2,39,191.03               |
| Prior Period Items                     | 177.50                    |
| Changes in Accounting Policies         | Nil                       |

**6 Revenue Recognition**

There is no deferment of revenue recognition.

**7 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements**

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

**8 The Company did not entered into any Joint Venture and do not have any overseas subsidiary.**

Note 52

**Additional Disclosures**

**1 Provisions and Contingencies**

| Breakup of 'Provisions and Contingencies' shown under the                          | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| 1. Provisions for depreciation on investment                                       | -                    | -                    |
| 2. Provision made towards Income tax   | 53,388.00            | 40,797.00            |
| 3. Provision towards NPA   | 7,066.00             | 9,857.00             |
| 4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.) | 12,601.00            | 9,914.00             |
|  | 887.00               | 3,145.00             |
| 5. Provision for Sub-standard assets   |                      |                      |
| 6. Provision for Doubtful assets   | 5,042.00             | 5,576.00             |
| 7. Provision for Loss Assets*  | 1,137.00             | 1,138.00             |
| 8. Provision for Employee Benefits   | 6,449.00             | 4,267.00             |
| 9. Other Provision and Contingencies (with details)                                | -                    | -                    |

\* Loss Assets due to identification of fraud during the FY 21-22.

| Breakup of Loan & Advances and Provisions thereon | As at March 31, 2025 |                   | As at March 31, 2024 |                   |
|---|----------------------|-------------------|----------------------|-------------------|
|   | Housing Loan         | Non- Housing Loan | Housing Loan         | Non- Housing Loan |
| Standard Assets                                   |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 11,11,679.42         | 21,83,950.21      | 14,79,308.69         | 12,80,239.32      |
| b) Provisions made                                | 3,859.69             | 8,740.95          | 4,673.20             | 5,240.44          |
| Sub-Standard Assets                               |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 2,821.23             | 447.47            | 14,241.63            | 1,507.51          |
| b) Provisions made                                | 765.29               | 122.17            | 2,844.78             | 300.16            |
| Doubtful Assets - Category-I                      |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 12,013.78            | 974.47            | 9,695.46             | 1,568.19          |
| b) Provisions made                                | 2,738.73             | 229.58            | 3,143.88             | 510.96            |
| Doubtful Assets - Category-II                     |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 2,955.36             | 976.37            | 2,149.18             | 1,192.53          |
| b) Provisions made                                | 902.05               | 300.05            | 1,224.18             | 696.79            |
| Doubtful Assets - Category-III                    |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 847.90               | 23.41             | -                    | -                 |
| b) Provisions made                                | 847.90               | 23.41             | -                    | -                 |
| Loss Assets                                       |                      |                   |                      |                   |
| a) Total Outstanding Amount                       | 1,107.00             | 30.00             | 1,107.47             | 30.20             |
| b) Provisions made                                | 1,107.00             | 30.00             | 1,107.47             | 30.20             |

1.1 The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

**1.2 The Category of Doubtful Assets will be as under :**

| Period for which the assets has been considered as doubtful | Category      |
|---|---------------|
| Up to one year  | Category- I   |
| One to three years  | Category- II  |
| More than three years                                       | Category- III |



**Details of Movement in Provisions:**

| Particulars            | Balance<br>As at<br>April 01, 2024 | Provisions made during<br>the year | Provisions adjusted/<br>Reversed | Closing Balance As at<br>March 31, 2025 |
|------------------------|------------------------------------|------------------------------------|----------------------------------|---|
| Taxation (Current Tax) | 40,797.00                          | 53,387.84                          | 40,797.00                        | 53,387.84                               |
| Standard Assets        | 9,914.00                           | 12,600.64                          | 9,914.00                         | 12,600.64                               |
| Sub-Standard Asset     | 3,145.00                           | 6,736.00                           | 8,994.71                         | 886.29                                  |
| Doubtful Asset         | 5,576.00                           | -                                  | 534.29                           | 5,041.71                                |
| Loss Asset             | 1,138.00                           | -                                  | -                                | 1,138.00                                |
| Employee Benefits      | 4,267.00                           | 2,181.71                           | -                                | 6,448.71                                |

**2 Draw Down from Reserves**

Company has not drawn any amount from reserves.

**3 Concentration of Public Deposits, Advances, Exposures and NPAs**

**3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)**

| Particulars  | As at          | As at          |
|--|----------------|----------------|
| Total deposits of twenty largest depositors                                      | Not Applicable | Not Applicable |
| Percentage of deposits of twenty largest depositors to total deposits of the HFC | Not Applicable | Not Applicable |

**3.2 Concentration of Loans & Advances**

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Total loans & advances to twenty largest borrowers                                      | 58,636.00            | 58,388.00            |
| Percentage of loans & advances of twenty largest borrowers to total advances of the HFC | 1.77%                | 2.09%                |

**Note:**

Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding. Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

**3.3 Concentration of all Exposure (including off-balance sheet exposure)**

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Total exposure to twenty largest borrowers/customers  | 58,636.00            | 583.88               |
| Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers | 1.77%                | 2.09%                |

**Note:**

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

**3.4 Concentration of NPAs**

| Particulars                            | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Total exposure to top ten NPA accounts | 8,320.00             | 12,570.00            |
| Total exposure to NPA accounts         | 22,198.00            | 31,492.00            |



### 3.5 Sector-wise NPAs

| Sector   | Percentage of NPAs to Total Advances in that sector |                      |
|--|---|----------------------|
|  | As at March 31, 2025                                | As at March 31, 2024 |
| <b>A. Housing Loans:</b>                         |   |                      |
| 1. Individuals                                   | 1.75%   | 1.81%                |
| 2. Builders/Project Loans                        | Nil   | Nil                  |
| 3. Corporates                                    | Nil   | Nil                  |
| 4. Others (specify)                              | Nil   | Nil                  |
| <b>B. Non-Housing Loans:</b>                     |   |                      |
| <b>Loan Against Property</b>                     |   |                      |
| 1. Individuals                                   | 3.02%   | 3.37%                |
| 2. Builders/Project Loans                        | Nil   | Nil                  |
| 3. Corporates                                    | Nil   | Nil                  |
| 4. Others (specify)                              | Nil   | Nil                  |
| <b>Loan Against Shares</b>                       |   |                      |
| 1. Individuals                                   | Nil   | Nil                  |
| 2. Builders/Project Loans                        | Nil   | Nil                  |
| 3. Corporates                                    | Nil   | Nil                  |
| 4. Others (specify)                              | Nil   | Nil                  |
| <b>Loan Against Collateral of Gold Jewellery</b> |   |                      |
| 1. Individuals                                   | 0.00%   | 0.00%                |
| 2. Builders/Project Loans                        | Nil   | Nil                  |
| 3. Corporates                                    | Nil   | Nil                  |
| 4. Others (specify)                              | Nil   | Nil                  |

### 4 Movement of NPAs

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| (I) Net NPAs to Net Advances (%)  | 0.46%                | 0.78%                |
| (II) Movement of NPAs (Gross)   |                      |                      |
| a) Opening balance  | 31,492.00            | 24,916.00            |
| b) Additions during the year  | 15,824.00            | 18,667.00            |
| c) Reductions during the year   | 25,119.00            | 12,091.00            |
| d) Closing balance  | 22,197.00            | 31,492.00            |
| (III) Movement of Net NPAs  |                      |                      |
| a) Opening balance  | 21,634.00            | 19,411.00            |
| b) Additions during the year  | 16,548.00            | 12,280.00            |
| c) Reductions during the year   | 23,051.00            | 10,057.00            |
| d) Closing balance  | 15,131.00            | 21,634.00            |
| (IV) Movement of provisions for NPAs<br>(excluding provisions on standard assets) |                      |                      |
| a) Opening balance  | 9,858.00             | 5,505.00             |
| b) Provisions made during the year  | 6,736.00             | 6,387.00             |
| c) Write-off/write-back of excess provisions                                      | 9,528.00             | 2,034.00             |
| d) Closing balance  | 7,066.00             | 9,858.00             |

### 5 Overseas Assets

| Particulars     | As at March 31, 2025 | As at March 31, 2024 |
|-----------------|----------------------|----------------------|
| Overseas Assets | -                    | -                    |

### 6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

| Name of the SPV sponsored |                |
|---------------------------|----------------|
| Domestic                  | Overseas       |
| Not Applicable            | Not Applicable |

### 7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

| Particulars   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Gross Loan Outstanding against Collateral of Gold Jewellery   | 21,05,211.00         | 11,59,616.00         |
| Gross Total Loans Outstanding   | 33,17,827.00         | 27,91,040.00         |
| Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets | 63.45%               | 41.45%               |



**INDIA FINSEC LIMITED**  
**CIN: L65923DL1994PLC060827**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|  |                |
|--|----------------|
| The financial statements were approved for issue by the Board of Directors on 22 May 2025.   | <b>NOTE 59</b> |
| The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.                                      | <b>NOTE 60</b> |
| There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.                                 | <b>NOTE 61</b> |
| Previous Year's Figures have been re-arranged or re-grouped wherever considered necessary.   | <b>NOTE 62</b> |
| Figures in brackets indicate negative (-) figures.   | <b>NOTE 63</b> |
| The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. | <b>NOTE 64</b> |

For and on behalf of the Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
 Gopal Bansal  
 Managing Director  
 DIN: 01246420

Sd/-  
 Mukesh Sharma  
 Director  
 DIN: 00274217

Sd/-  
 Manoj Kumar Gupta  
 CFO  
 PAN: AEUPG8308R

Sd/-  
 Rahul  
 Company Secretary  
 Membership No.: 73800