ANNUAL REPORT



2024 – 2025

IFL FINANCE LIMITED

(Formerly Known as IFL Housing Finance Ltd.)

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Managing Director's Message





GOPAL BANSAL

Chairman &
Managing Director

" From ambition to achievement we make it happen. "

Dear Esteemed Shareholders,

It is with immense pleasure and profound gratitude that I address you today as Chairman & Managing Director of your Company, presenting the landmark 10th Annual Report of IFL Finance Limited for the financial year ended March 31, 2025.

Reflecting on the year gone by, I am filled with a deep sense of gratitude and pride for the progress we have made despite the challenging environment.

Conversion to NBFC-ICC: A Strategic Milestone

The Company underwent a significant transformation marked by a strategic realignment of its operational framework

During FY 2024–25, we initiated the process of converting from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) by submitting our application to the Reserve Bank of India. After successfully addressing all queries raised during the evaluation process, we were granted NBFC-ICC status on June 26, 2025.
In line with the RBI's recommendations and to reflect the activities as NBFC-ICC, the Company formally changed its name from "IFL Housing Finance Limited" to "IFL Finance Limited". This conversion represents a pivotal milestone, enabling us to strategically expand into the gold loan segment. It positions us to better serve the evolving needs of our customers while enhancing our presence within the broader financial services sector.

Gold Loan Business: A Source of Financial Freedom

The Gold Loan industry has experienced robust growth in recent years, driven by the increasing demand for accessible, quick, and flexible financial products. As financial inclusion becomes more critical in India, the Gold Loan segment has emerged as a key player in providing quick liquidity to individuals who may not have access to traditional forms of credit. This growth is particularly evident in the self-employed, low-income, and informal sectors, which often struggle to meet their financial needs through conventional banking.
In this context, IFL Finance has positioned itself as a provider of accessible, transparent, and affordable gold loan solutions. Millions of Indians continue to rely on gold as a safe and easily accessible asset, especially in times of financial distress. Our goal is simple: to unlock the value of this asset, enabling our customers to meet their urgent financial needs without having to sell their cherished belongings.
Gold Loan products provide a critical lifeline to those who need instant funds and, more importantly, offer financial freedom with peace of mind.
As a trusted partner, we are proud of the trust our customers place in us and are committed to constantly evolving our offerings to meet their needs.

At IFL Finance, we specialize exclusively in instant gold loans that are tailored to meet urgent financial needs whether it's for medical emergencies, education, business expansion, or personal expenses. With minimal documentation, competitive gold loan interest rates, and speedy loan disbursal, we ensure a seamless and hassle-free borrowing experience.

We are closely monitoring the broader financial landscape. The recent adjustments in the Repo Rate by the Reserve Bank of India—from 6.50% on December 6, 2024, to 6.25% on February 7, 2025, followed by subsequent reductions to 6.00% in April 2025 and 5.50% in June 2025—are expected to positively impact the Gold Loan industry. A lower repo rate typically reduces the cost of borrowing for financial institutions like ours, enabling us to extend more competitive offerings to our customers.

This decreased cost of funds can enable us to offer more competitive interest rates to our gold loan customers, making our products even more attractive and accessible. This, in turn, can stimulate further demand for gold loans, expanding the market and allowing us to reach even more individuals seeking quick and affordable credit.



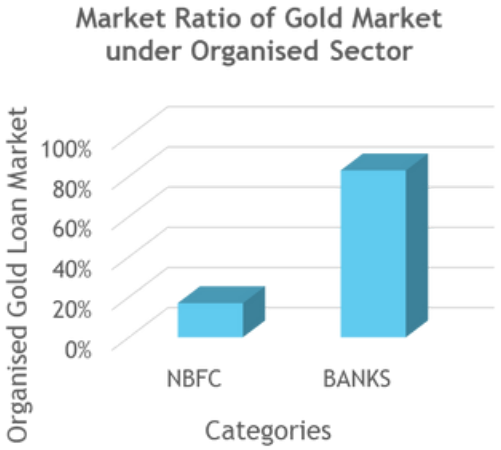
Performance Overview: Strong Growth and Expansion

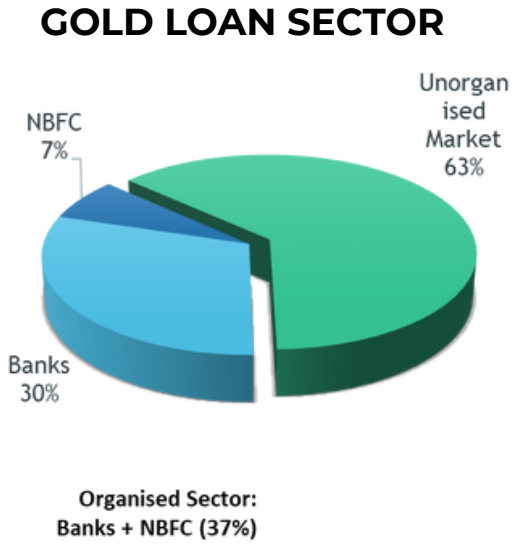
Despite the challenges faced in housing finance, IFL Finance Limited has witnessed substantial growth and a strong performance across key metrics:

- Gross AUM stood at ₹332.11 Crores as of March 2025, marking an impressive 18.87% growth from ₹279.10 Crores in the previous year.
- We have expanded our presence, with 77 branches across 5 states, serving a growing customer base of 28,200+ active customers.
- Profit After Tax (PAT) for the year stands at ₹18.12 Crores, underscoring our commitment to profitability and sustainable growth, which is substantial increase from last year at ₹12.15 Crores.
- Our Total Revenue grew by 12.28% to ₹71.11 Crores in FY 2024-25, while Net Interest Income (NII) grew by 15.24% to ₹44.02 Crores, further highlighting our strength in revenue generation and cost efficiency.
- We maintained a Credit Rating of CRISIL BBB- Stable from CRISIL Ratings, which reflects our financial stability and ability to weather market fluctuations.
- Our Capital Adequacy Ratio (CRAR) improved to 65.77%, well above the statutory minimum requirement of 15%, indicating a strong buffer for growth and risk management.

The Future: A Balanced Growth Strategy

Globally, India remains the largest market for gold, with the domestic gold loan segment witnessing robust growth. An estimated 2,950–3,350 tonnes of gold are currently pledged as collateral for instant financing. According to an ICRA Ltd. research report published in September 2024, the organised gold loan market comprising universal banks and NBFCs is expected to exceed ₹10 lakh crore in the current fiscal and is projected to reach approximately ₹15 lakh crore by March 2027. As of March 2025, the organised gold loan portfolio stood at around ₹12 lakh crore approx., of which NBFCs contributed approximately nearly ₹2 lakh crore and banks approximately about ₹10 lakh crore. As awareness improves and technology adoption increases, the shift from the unorganised to the organised sector is gaining momentum. Organised lenders provide more transparency, better service, competitive interest rates, and greater security compared to local money lenders or pawnbrokers. Additionally, gold loans have historically shown low default rates, making them an attractive, low-risk product for lenders. With these factors at play, the gold loan industry in India is well-positioned for sustainable and profitable growth, offering strong potential for financial institutions looking to expand their retail lending portfolios.





Acknowledgements

I take this opportunity to express my heartfelt gratitude to all our employees, whose tireless efforts and unwavering dedication continue to drive our success. Their commitment is the cornerstone of our achievements, and we are deeply proud of the culture of excellence they help build. To our customers, thank you for your trust and loyalty. We remain committed to meeting your financial needs with the highest standards of service and integrity. Your confidence is what inspires us to keep pushing forward.To our shareholders, thank you for your ongoing support. We are focused on creating long-term value, and your trust in our vision is invaluable as we take IFL Finance to new heights.
Thank you once again for your continued support.

With Best Wishes,
Sd/-
Gopal Bansal
Chairman & Managing Director
DIN: 01246420

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About us

IFL Finance Limited (formerly known as IFL Housing Finance Limited) is a prominent gold loan institution in India, recognized for delivering fast, secure, and transparent financial solutions. As a subsidiary of India Finsec Limited (IFL), a BSE-listed NBFC, the company upholds the highest standards of governance, financial discipline, and operational excellence, while maintaining a steadfast commitment to customer trust and satisfaction.



Missions

To deliver fast, fair, and secure Gold loan solutions that empower individuals with immediate access to credit through a process that is simple, transparent, and customer-centric.

Vision

To become India's most trusted and preferred Gold loan company, recognized for our integrity, speed, and commitment to financial inclusion .

Values

INTEGRITY: To be true to what we do at every step of the process while dealing with the customers.

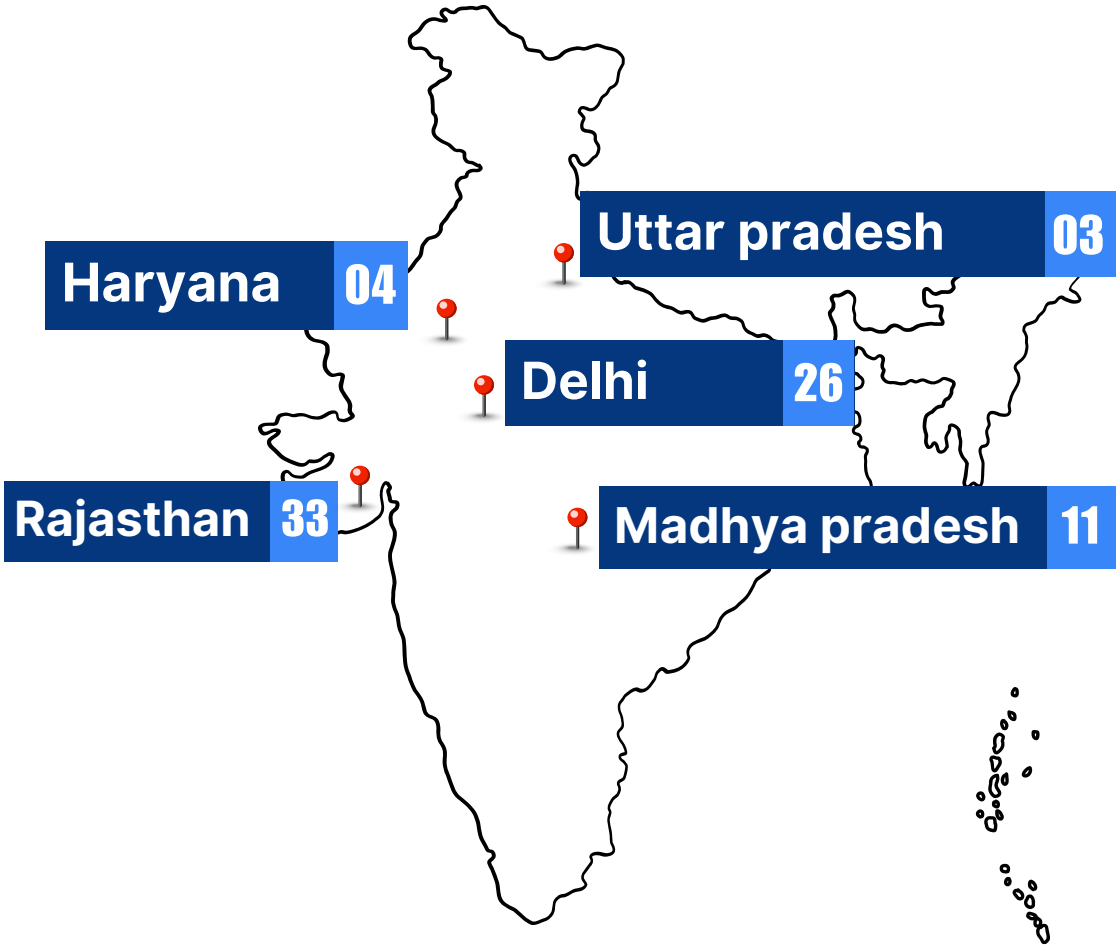
FULFILLMENT: To enable customers to fulfil their financial obligations by providing them with credit in an easy and transparent manner.

LONG TERM CORDIAL RELATIONSHIP: To provide prompt assistance and support to customers and employees in the long run by being available for them whenever they need us.



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Our Presence



HEAD OFFICE : DELHI
77 BRANCHES ACROSS 5 STATES/UNION TERRITORY VIZ. DELHI, RAJASTHAN, HARYANA, MADHYA PRADESH AND UTTAR PRADESH.

With its Head Office located in Delhi, our organization operates 77 branches across five states and union territories, namely Delhi, Rajasthan, Haryana, Madhya Pradesh, and Uttar Pradesh. This widespread network reflects our commitment to serving customers with accessibility, trust, and excellence in every region we operate.

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Corporate Information

LENDERS

Banks

SBI
CITY UNION BANK
FEDERAL BANK
YOUR PERFECT BANKING PARTNER
DCB BANK
AU SMALL FINANCE BANK
CSB Bank
Trusted Heritage Smart Future
ESAF
ESAF SMALL FINANCE BANK
Joy of Banking
Bandhan Bank
ICICI Bank

Financial Institution

TATA CAPITAL
Chola
Enter a better life
MANAPPURAM FINANCE LIMITED
NORTHERN ARC
WESTERN CAP
MAS FINANCIAL
AMBIT Finvest
Pragati ke partner
InCred finance
SUNDARAM HOME
— Sundaram Finance Group —
HINDUJA HOUSING FINANCE
vivriti CAPITAL
Ambitions Unleashed
efl
...by your side
NABSAMRUDDHI FINANCE LIMITED
(A Subsidiary of NABARD)
POONAWALLA FINCORP
ABANS FINANCE
STCI Finance Limited
Kissandhan
Truhome FINANCE

Regulatory Body

राष्ट्रीय आवास बैंक
NATIONAL HOUSING BANK

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Corporate Information

AUDITORS

STATUTORY AUDITORS

M/s Ajay Rattan & Co.,
Chartered Accountants
1113, 11th Floor, Arunachal Building,
Barakhamba Road, New Delhi-
110001

INTERNAL AUDITORS

Ms. Rajni,
Chartered Accountant
D-16, 1st Floor, Above ICICI Bank,
Sector- 14, Prashant Vihar,
New Delhi- 110085

SECRETARIAL AUDITORS

M/s Sarita Singh & Associates,
Company Secretaries,
A-2166, 2nd Floor, Greenfield Colony,
Faridabad, Haryana- 121010

REGISTRARS & TRANSFER AGENTS

Skyline Financial Services Private Limited
D-153 A| Ist Floor | Okhla Industrial Area, Phase - I | New Delhi-110 020
Direct no-011-41044923
Fax: +91 11 26812682 Web: www.skylinerta.com

ANNUAL GENERAL MEETING

11:30 A.M, Wednesday, 20th AUGUST 2025

OTHER INFORMATION

CIN: U65910DL2015PLC285284

REGISTERED OFFICE AND CORORATE OFFICE

D-16, 1st Floor, Above ICICI Bank, Sector- 14, Prashant Vihar, New Delhi- 110085
Tel: +91 11 47096097 E-mail: info@iflfinanceltd.co Website: www.iflfinanceltd.com

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History Timeline

2025

Gross AUM : **Rs. 332.11 Cr**
Active Borrowers : **28287**
Cumulative No of Loans Sanctioned : **41544**
Cumulative No of Loans Disbursed : **41588**

2024

Gross AUM : **Rs. 279.10 Cr**
Active Borrowers : **20640**
Cumulative No of Loans Sanctioned : **26572**
Cumulative No of Loans Disbursed : **28331**

2023

Gross AUM : **Rs. 250.89 Cr**
Active Borrowers : **17728**
Cumulative No of Loans Sanctioned : **24488**
Cumulative No of Loans Disbursed : **24273**

2022

Gross AUM : **Rs. 146.51 Cr**
Active Borrowers : **9128**
Cumulative No of Loans Sanctioned : **13806**
Cumulative No of Loans Disbursed : **12808**

2021

Gross AUM : **Rs. 89.10 Cr**
Active Borrowers : **2045**
Cumulative No of Loans Sanctioned : **2471**
Cumulative No of Loans Disbursed : **2337**

2020

Gross AUM : **Rs. 79.04 Cr**
Active Borrowers :**1062**
Cumulative No of Loans Sanctioned : **1297**
Cumulative No of Loans Disbursed : **1190**

2019

Gross AUM : **Rs. 10.20 Cr**
Active Borrowers : **87**
Cumulative No of Loans Sanctioned : **98**
Cumulative No of Loans Disbursed : **87**

2018

Obtained License from National Housing Bank on 12th December, 2017.
Commenced operations from January, 2018

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Business Overview

At IFL Finance, our business philosophy is deeply rooted in a customer-centric approach.

The Company went through the significant transformation marked by a strategic shift in its operational framework. We initiated the process to convert from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) by filing the application to the Reserve Bank of India during FY 2024–25. After successfully addressing all queries raised by the Reserve Bank of India during the evaluation process, we were granted NBFC-ICC status on June 26, 2025. This conversion is a pivotal step in enabling our focused expansion into the gold loan business. It positions us to better meet the evolving needs of our customers while strengthening our footprint in the broader financial services landscape. Gold loan assets have been growing steadily and the potential to grow further is high since a major part of the country's gold loan market is still in the unorganised sector. Gold prices have been rising over the years. There is also a paradigm shift on how buying gold is perceived today. Traditionally gold was purchased for historical, cultural and societal reasons and while that continues, people have started buying gold as an investment and also as a convenient option to raise funds for financial requirements.



MARKETING AND DISTRIBUTION





IFL Finance is emerging as one of India's leading non-banking financial companies, specialising in gold loans offered at competitive interest rates. We are committed to delivering value through reliable financial services, operating with integrity, and consistently striving for excellence. Our priority remains to understand and cater to the unique financial needs of our customers, ensuring accessible and trustworthy solutions.

As of March 31, 2025, the Company operates a total of 77 branches across five states, including 33 in Rajasthan, 11 in Madhya Pradesh, 4 in Haryana, 3 in Uttar Pradesh, and 26 in Delhi, in addition to our Head Office located in Delhi.

We achieved a remarkable 49.14% increase in Profit After Tax (PAT) during FY 2024–25, rising to ₹18.13 crores from ₹12.15 crores in the previous year.

Furthermore, the Company has significantly strengthened its digital infrastructure, ensuring that all systems are compliant with applicable regulations. We adhere strictly to all relevant compliance requirements, internal policies, and operational procedures to uphold the highest standards of governance and accountability.

Collection and Recovery Process Housing Loan Segment

Your Company has in house collection team and robust collection app which enables the Company to undertake hassle-free collection and recovery processes.

- Default Indicator: A defaulter list uploaded to the Omnifin software every month. Collection Officers access the list through collection application for the respective month.
- Collection Officers: Collection Officers utilize a dedicated collection application to manage their tasks. They receive the defaulter list monthly on their registered mobile devices, which can be updated at regular intervals. Officers are appointed for collecting payments through various methods, including cash, cheque, or bank transfer. The Collection Head subsequently coordinates recovery efforts to ensure the prompt collection of outstanding EMIs.
- Controls: There are various ways through which control is established for mobile app:

  (a) The mobile number and IMEI code of each Collection Officer are registered by the company's collection department of Head Office to enable access to the collection application. If the officer changes their mobile number or device, access to the collection app will be revoked. In such cases, the officer must re-register with the Head Office. Collection Officers log in to the app using a username and password.

  (b) The application is equipped with automatic controls to ensure timely deposits. If the Collection Officer collects payments but fails to deposit the funds within three days, the application will automatically deactivate access to the system.

  (c) If a Collection Officer collects EMIs in cash beyond the specified limit permitted to his respective collection ID, access to the application will be temporarily suspended. To regain access, the officer must deposit the sum and need to take approval through the collection department Head Office.

- Performance Review: Collection head review performance of the team and provide incentives as per the targets of the Collection policy on monthly basis.

Gold Loan Segment

The IFL Gold Loan Application is used for collection purposes. Gold Loan Officers at the branch contact customers on a monthly basis to remind them about their EMI payments.

The application offers customers a convenient and flexible way to repay their gold loan interest and principal. Payments can be made through multiple channels including BBPS platforms like PhonePe, Paytm, and Google Pay. The app is easily accessible on both the Play Store and iOS. Customers can also make payments using QR codes generated by the branch, or through traditional banking methods such as NEFT, RTGS, or IMPS—making repayment simple, secure, and hassle-free.

Gold Loan business has flourished, allowing us to provide rapid loans to customers facing urgent financial requirements, without compromising on customer credibility or collateral.



This approach has had a significant impact, offering much-needed assistance during times of crisis. At IFL Finance, every customer receives personalized care and attention. Our highly skilled and motivated team ensures that even families with informal incomes have access to financial solutions, whether for purchasing their dream home or addressing time-sensitive financial needs.

Source of Funding

OUTSTANDING EQUITY

Rs. 8475.82 Lakhs (PY Rs. 6592.30 Lakhs)

FREE RESERVES

Rs. 6482.44 lakhs (PY Rs. 3457.62 Lakhs)

BORROWINGS

Rs. 18779.62 Lakhs (PY Rs. 18241.97 Lakhs)

The Company has allotted 1,88,35,164 equity shares of ₹10 each at a premium of ₹8.50 per share pursuant to a Rights Issue scheme. The Company's free reserves comprise retained earnings accumulated up to the end of the financial year and securities premium, excluding the statutory reserve maintained under Section 29C of the National Housing Bank Act, 1987.

Further, the Company has obtained shareholders' approval by way of a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, authorising the Board to borrow funds up to an aggregate limit of ₹500 crores.

Taking care of the maximum borrowing limit, the company has drawn disbursement from several lenders including Grow Money Capital Private Limited, Vivriti Capital Limited, Kissandhan Agri Financial Services Pvt Ltd, Electronica Finance Limited and Poonawalla Fincorp Limited during Fy 2024-25. Also, several existing lenders viz. AU Small Finance Bank Limited, MAS Financial Services Limited, Ambit Finvest Private Limited and InCred Financial Services Limited have also sanctioned term loan facilities to the Company during the said financial year.

The company is always regular in paying all its debts with no single default.

Financial Snapshot
(As on 31st March 2025)

77 Branches which comprises 44 Home Loan Branches and 33 Gold Loan Branches

Operations in 5 state viz. Delhi, Haryana, Uttar Pradesh, Madhya Pradesh and Rajasthan

28000+ Active Customers

Gross Loan Portfolio of INR 332.11 Crores consisting of Home loan & LAP (37%) and Gold Loans (63%)

Asset size of INR 361.86 Crores and PAT of INR 18.13 Crores

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Financial Highlights

PARAMETERS	FY25	FY24	Increase/(Decrease)
GROSS AUM, OWNED RS. IN LAKHS)	33,178.27	27,910.40	18.87%
DISBURSEMENT (RS. IN LAKHS)	47,897.73	29,501.75	62.36%
PAT (RS. IN LAKHS)	1,812.75	1,215.15	49.18%
GROSS NPA (AS % OF GROSS AUM)	0.67	1.13	-46 Basis Points
NET NPA (AS % OF GROSS AUM)	0.46	0.78	-32 Basis Points
CAPITAL ADEQUACY RATIO (CRAR) (%)	65.77	62.85	4.65%
TIER I (%)	56.78	52.98	7.17%
TIER II (%)	8.99	9.87	-8.92%
RETURN ON AVERAGE ASSETS (%)	5.47	4.21	29.93%
RETURN ON AVERAGE EQUITY (%)	13.59	12.04	12.87%
DEBT EQUITY RATIO (TIMES)	1.18	1.7	-30.59%
NET OWNED FUND (RS. IN CRORES)	14,860.30	9,794.10	51.73%
NET PROFIT MARGIN (%)$	25.4	19.05	33.33%
NET INTEREST MARGIN (NIM) (%)	14.31	14.15	1.13%
TOTAL OPERATING EXPENSES TO NII (TIMES)	0.45	0.58	-22.41%
COST TO INCOME (TIMES)	0.29	0.37	-21.62%
OPEX TO AVG ASSET (TIMES)	0.06	0.08	-25.00%
BRANCHES (NUMBERS)	77	67	14.93%
ACTIVE CUSTOMERS (NUMBERS)	28,287	20640	37.05%
EMPLOYEE STRENGTH (NUMBERS)	290	325	-10.77%
CREDIT RATING	CRISIL BBB-/Stable	CRISIL BBB-/Stable	No Change

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Segment wise Operational Highlights

The company is having 35.18% of its total portfolio in Housing Loan, 1.37% in Loan Against Property and 63.45% in Gold Loan Segment.

The Average Ticket Size on outstanding loans are:
a. Home Loan : Rs. 2.43 Lakhs
b. Loan Against Property : Rs. 2.23 Lakhs
c. Gold Loan : Rs. 1.02 Lakhs

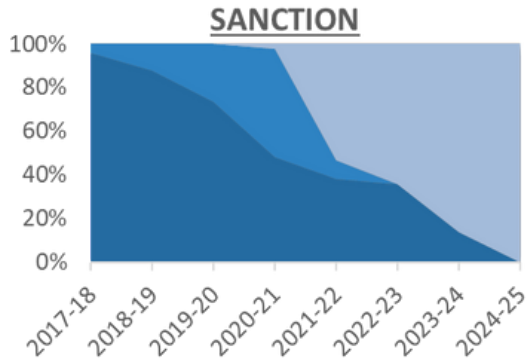
The Average Tenure on outstanding loans are:
a. Home Loan : 69 Months
b. Loan Against Property : 62 Months
c. Gold Loan : 12 Months

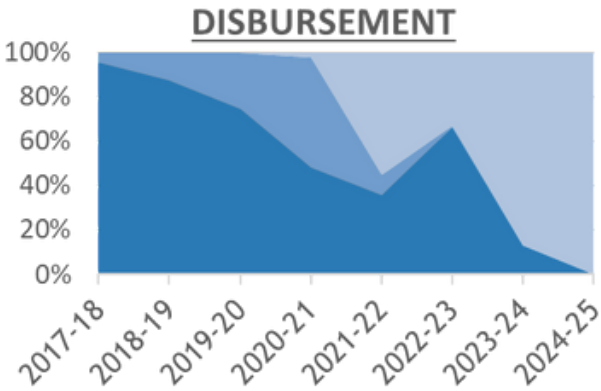
The Average LTV on outstanding loans are:
a. Home Loan : 15.41%
b. Loan Against Property : 9.82 %
c. Gold Loan : 59.23%

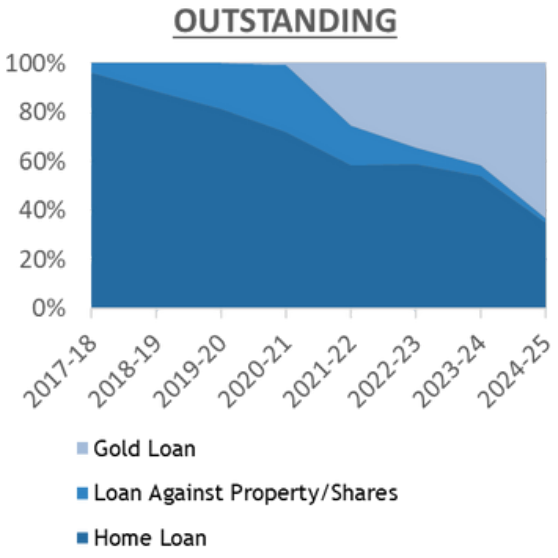
The Average ROI on outstanding loans are:
a. Home Loan : 24.73%
b. Loan Against Property : 24.43%
c. Gold Loan : 19.81%

Having the Total GNPA of 0.67% and NNPA of 0.46%, out of which:

Segment	GNPA %	NNPA %
Home Loan	0.62	0.42
Loan Against Property	0.05	0.03
Gold Loan	0	0
Total	0.67	0.46







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Key Highlights 2024-25

GROSS AUM
RS 331.78 Cr.

Disbursment
Rs. 478.98 Cr.

Non Performing Assets
GNPA 0.67% NNPA 0.46%

Capital Adequacy Ratio
65.77%

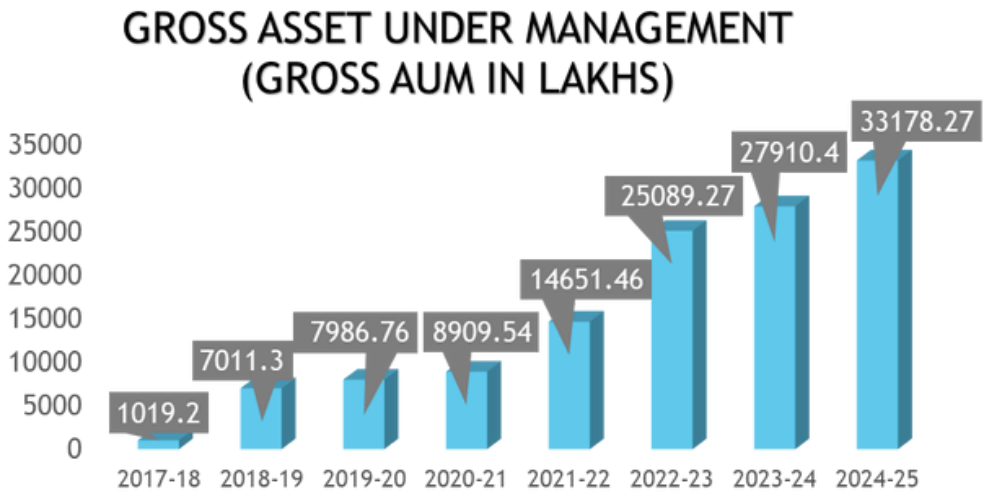
Our Presence
States : 5 , Branches : 77

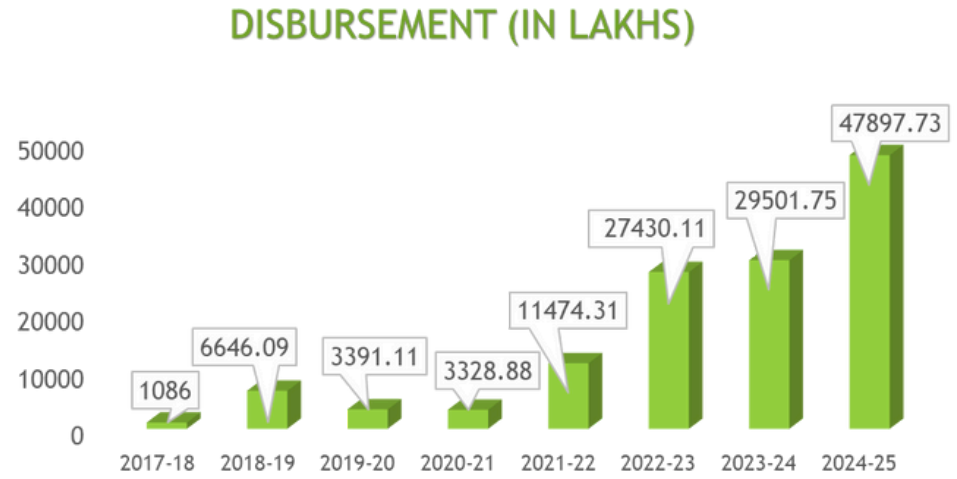
Employees
290

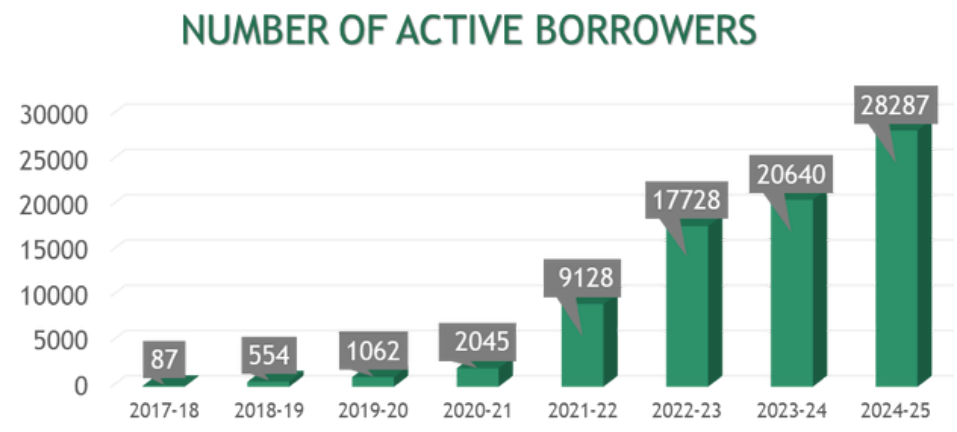
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Financial Performance Highlights

Business Parameter



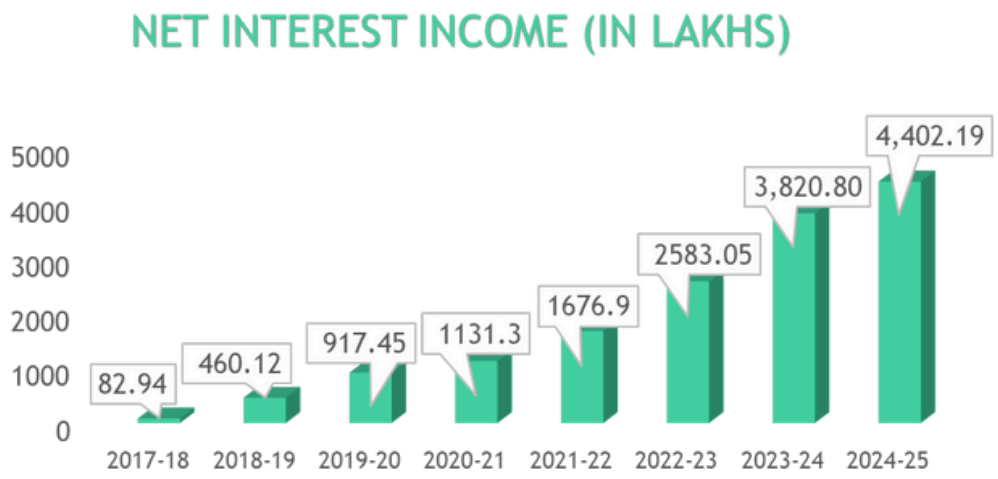


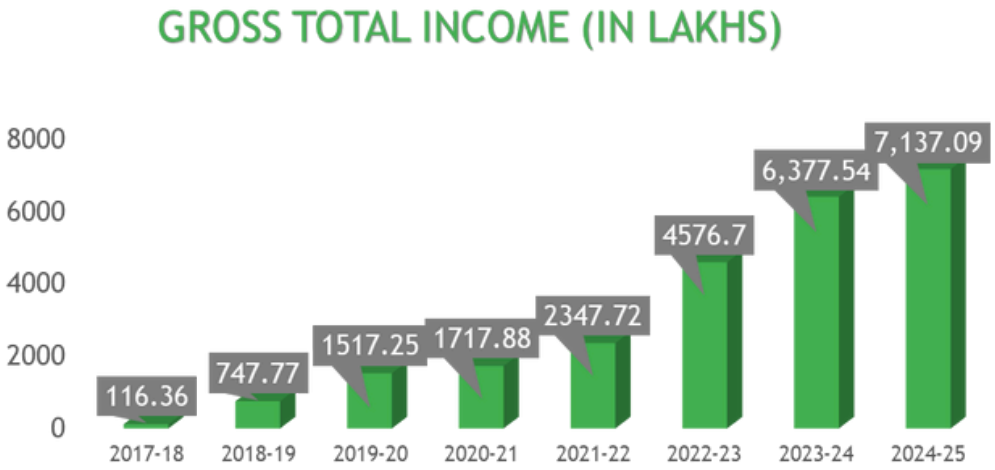


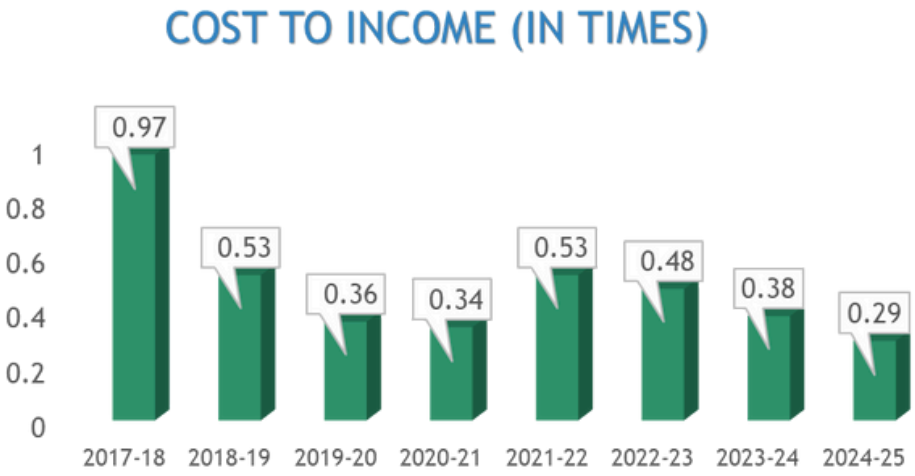
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Financial Performance Highlights

Operational Parameter



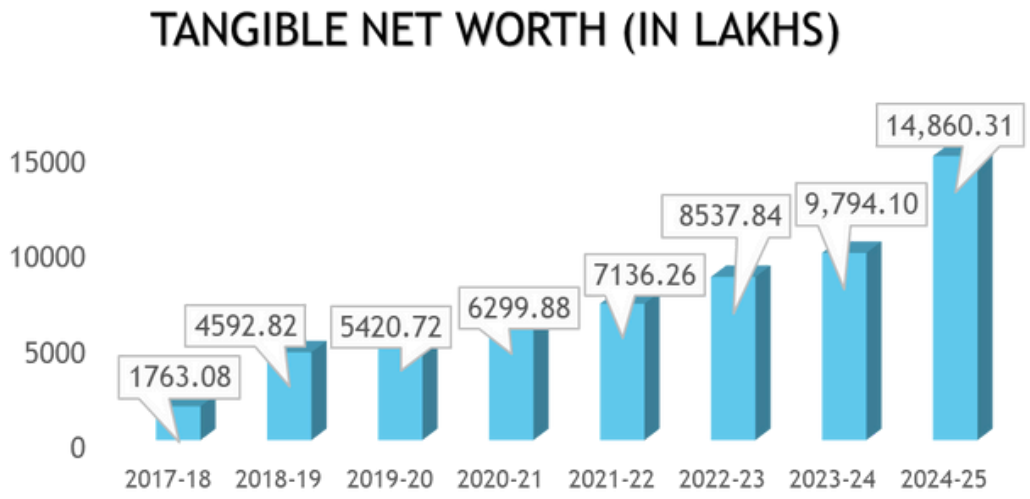


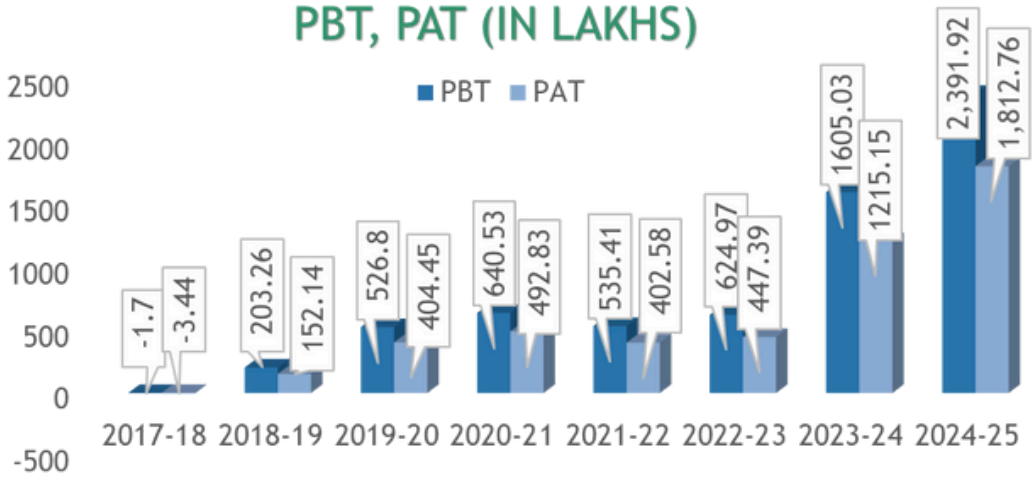


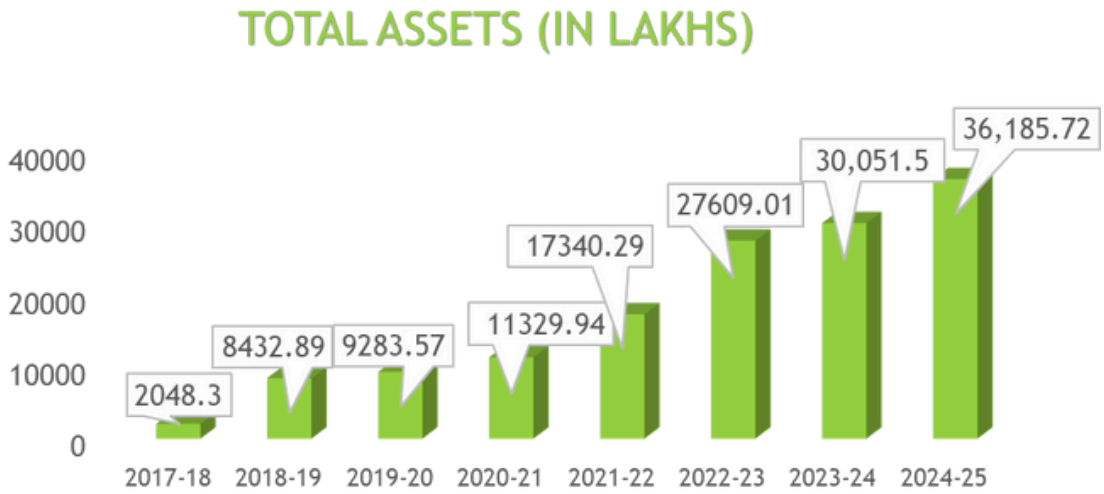
Finance Annual Report 2024 - 25

Financial Performance Highlights

Financial Parameter





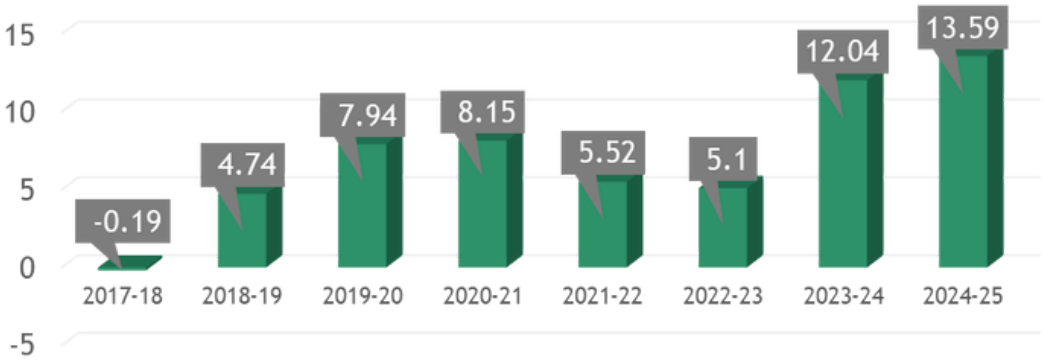


Finance Annual Report 2024 - 25

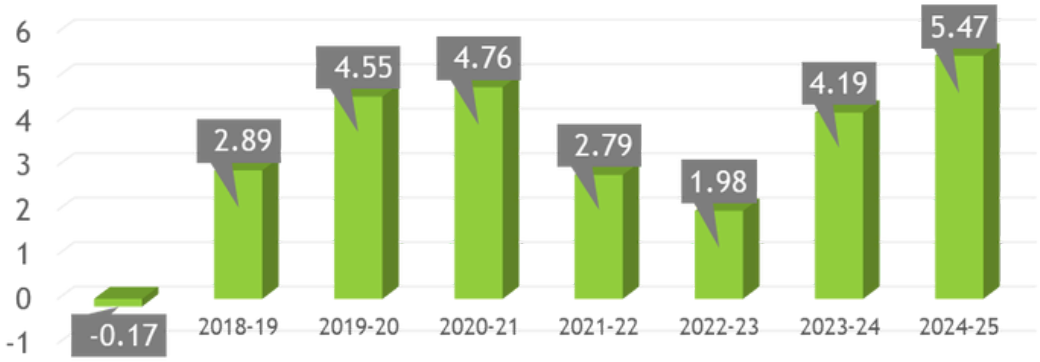
Financial Performance Highlights

Financial Parameter

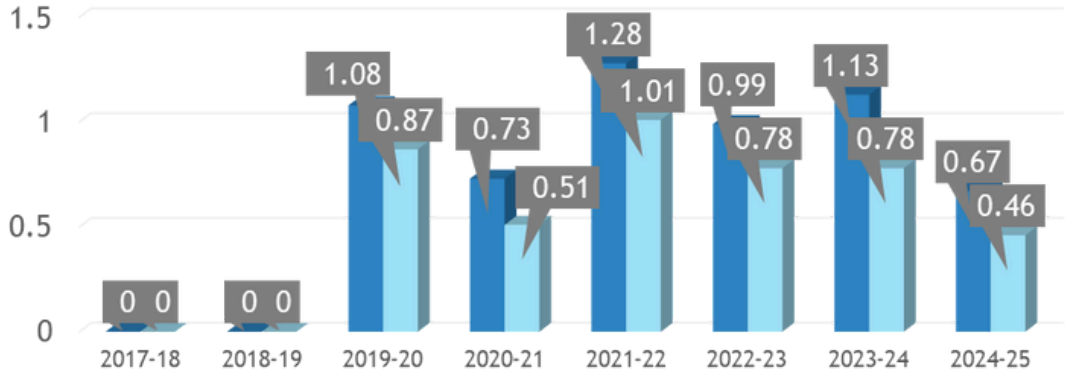
RETURN ON AVERAGE EQUITY (%)



RETURN ON AVERAGE ASSETS (%)



GNPA & NNPA (%)

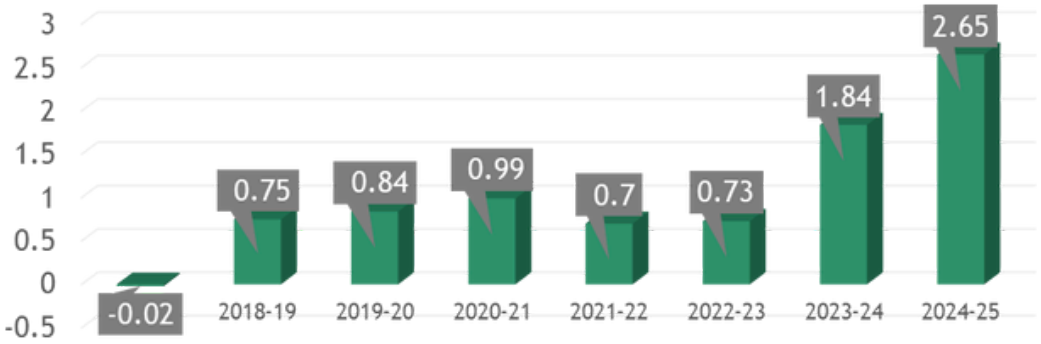


Finance Annual Report 2024 - 25

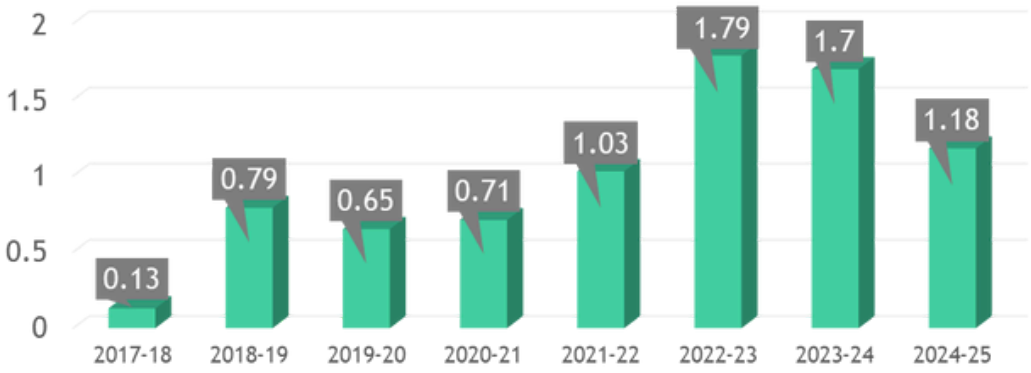
Financial Performance Highlights

Key Financial Ratio

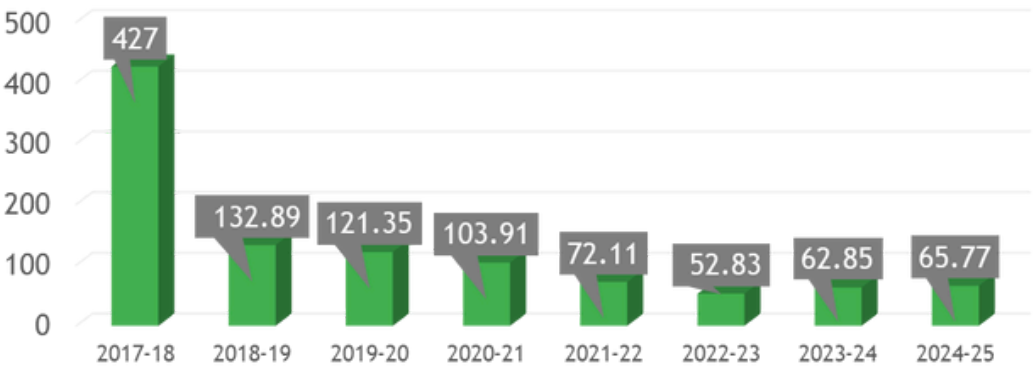
EARNING PER SHARE



DEBT EQUITY RATIO



CRAR %



Finance Annual Report 2024 - 25

Memory At Glance

Diwali Celeberation











Finance Annual Report 2024 - 25

Memory At Glance

Holi Celeberation











Finance Annual Report 2024 - 25

Memory At Glance

Christmas Celeberations











Finance Annual Report 2024 - 25

Memory At Glance

Womens Day Celeberation











Finance Annual Report 2024 - 25

Memory At Glance

A Glimpse of IFL Events









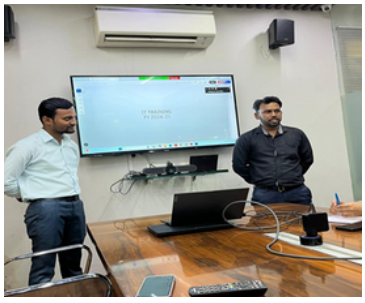


















Finance Annual Report 2024 - 25

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **10th Annual General Meeting** of **IFL Finance Limited** (Formerly known as IFL Housing Finance Limited) will be held on Wednesday, 20th August, 2025 at 11:30 a.m. at the registered office of the company at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi - 110085 to transact the following businesses:

Ordinary Business:

1. Adoption of Audited Financial Statements

To receive, consider and adopt the financial statements of the company for the financial year ended March 31, 2025 including Audited Balance Sheet as on March 31, 2025, Cash Flow Statement and the Statement of Profit and Loss, for the financial year ended on March 31, 2025, along with the reports of the Board of Directors ('the Board') and the Auditors thereon.

"**RESOLVED THAT** the audited 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."

2. To appoint a Director in place of Ms. Kriti Suri (DIN: 09258479), who retires by rotation and, being eligible, offers herself 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 reenactment(s) thereof, for the me being in force), Ms. Kriti Suri (DIN: 09258479), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business:

3. Appointment of Mrs. Pinki Sharma (DIN: 11194389) as the Non-Executive Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Mrs. Pinki Sharma (DIN: 11194389) as an Additional Director in the capacity of an Non-Executive Independent Director of the Company w.e.f. July 17, 2025, who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of ensuing Annual General Meeting, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years with effect from July 17, 2025 till July 16, 2030.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

4. Change in Designation of Mrs. Sunita Bansal (DIN: 02801660) from Non-Executive Director to Whole-Time Director

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

" RESOLVED THAT the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the company and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded for the change in designation of Mrs. Sunita Bansal (DIN: 02801660) from Non-Executive Director to Whole Time Director of the Company, for a period of 5 years commencing from 20th August, 2025 to 19th August, 2030 (liable to retire by rotation) at a remuneration as set out in the statement annexed to the notice, with full liberty to the Board of Directors (hereinafter referred to as the "Board" which shall be deemed to include the Nomination & remuneration Committee of the Board) to revise/ alter/ modify/ amend/ change the terms and conditions as may be agreed to by the Board and Mrs. Sunita Bansal (DIN: 02801660) within the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the tenure of the said Whole Time Director, the Company has no profits or its profit are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company and / or Company Secretary of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to the aforesaid resolution."

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

Sd/
Shivani JIndal
Company Secretary

Place: New Delhi
Date: 23.07.2025

Notes :

1. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, STAMPED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.

2. Pursuant to Section 105 of Companies Act, 2013, a person shall act as proxy of not more than 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.

3. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.

4. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.

5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

6. Relevant documents, if any and statutory registers are open for inspection at the registered office of the Company on all working days, Monday to Friday between 11:00 A.M to 01:00 P.M.

7.Members may note that the Annual Report of Fy 2024-25 will also be available on the Company's website at www.iflfinanceltd.com.

8. Members are requested to bring the Notice of the Annual General Meeting along with the Attendance Slip with them duly filled in and hand over the same at the entrance of the meeting hall. (Attendance Slip is enclosed with this notice).

9. Queries on the Annual Report and operations of the Company, if any, may please be sent to the Company on email: compliance@iflfinanceltd.com at least Seven days prior to the date of the AGM so that answers may be provided at the Meeting.

10. embers are requested to notify any change in their address, if any to the Registrar & Share Transfer Agent of the Company at the following address:-

Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi-110 020
Phone: 011-41044923
Fax: +91 11 26812682
Email- info@skylinerta.com

In all correspondence, please quote your DP ID & Client ID or Folio Number.

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

Place: New Delhi
Date: 23.07.2025

Sd/
Shivani JIndal
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND RULES RELATED THERETO

Item No: 3

Appointment of Mrs. Pinki Sharma (DIN: 11194389) as the Non-Executive Independent Director.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs. Pinki Sharma (DIN: 11194389), be appointed as an Independent Director on the Board of the Company for for a period of five years with effect from July 17, 2025 till July 16, 2030. The appointment of Mrs. Pinki Sharma, shall be effective upon approval by the members in the Meeting. The Company has received a notice in writing from her under Section 160 of the Act proposing her candidature for the office of Independent Director of the Company. Mrs. Pinki Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mrs. Pinki Sharma that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mrs. Pinki Sharma fulfils the conditions for her appointment as an Independent Director as specified in the Act. Mrs. Pinki Sharma is independent and not related to any other director, Key Managerial Personnel and the management and possesses appropriate skills, experience and knowledge.

Details of Mrs. Pinki Sharma are provided in the "Annexure I" to the Notice pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letter of appointment of Mrs. Pinki Sharma setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

The Board recommends the resolution set out at Item No. 3 of the accompanying Notice for the approval of the members as a Special Resolution.

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

Item No. 4 :

Change in designation of Mrs. Sunita Bansal (DIN: 02801660) from Non-Executive Director to Whole-time Director

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 23rd July, 2025, has approved the change in designation of Mrs. Sunita Bansal (DIN: 02801660) from Non-Executive Director to Whole-time Director,

for a period of five years commencing from 20th August, 2025 to 19th August, 2030, subject to the approval of shareholders at the ensuing Annual General Meeting.
Mrs. Sunita Bansal has been associated with the Company for several years and has contributed significantly in the strategic and financial management areas. Considering her experience and involvement in the affairs of the Company, the Board is of the view that her appointment as a Whole-time Director will be beneficial to the Company.

The key terms and conditions of her appointment as Whole-time Director are as under:

- Tenure: 5 years from 20th August, 2025 to 19th August, 2030
- DUTIES AND RESPONSIBILITIES: Mrs. Sunita Bansal, the 'Whole Time Director' of the Company shall, subject to the provisions of the Companies Act, 2013, and overall superintendence and control of the Board of Directors of the Company, shall perform such duties and exercise such powers, as have been or may, from time to time, be entrusted to, or conferred on him, by the Board of Directors of the Company.
- Gratuity: as per the Rules of the company
- The Whole Time Director shall be entitled to participate in provident fund, gratuity fund or such other schemes for the employees, which the company may establish from time to time.
- Reimbursement of medical and hospitalization expenses of the Whole time Director and his family in accordance with the Company policy.
- Leave Travel Allowance for the Whole time Director in accordance with the Company policy.
- Bonus for the financial year, at the discretion of the board.
- Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.
- Designation: Whole-time Director
- Remuneration: Salary at the rate of Rs. 1,75,000/- (Rupees One Lac and Seventy Five Thousand only), which may be reviewed by the Board and subject to the provisions of Companies Act, 2013.
- Liable to retire by rotation
- In the event of loss or inadequacy of profits in any financial year, she shall be paid remuneration as minimum remuneration in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, subject to approval of the Central Government, if required.

Mrs. Sunita Bansal is interested in the resolution to the extent of her appointment and remuneration. Mr. Gopal Bansal, Managing Director, and Mr. Ashish Bansal, Whole-time Director being her relative, may also be deemed to be interested. None of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.
The Board recommends the resolution set out in Item No. 4 of the accompanying Notice for the approval of the members as a Special Resolution.

Annexure I to the Notice

Additional Informationof Director seekingappointment/re-appointment at the 10th Annual General Meeting pursuant to Secretarial Standards -on General Meetings.

Name of the Director	Ms. Kriti Suri	Mrs. Pinki Sharma	Mrs. Sunita Bansal
Date of Birth	23 Oct 1979	15 Aug 1982	4 Nov 1976
Qualifications	Post Graduate in Commerce	Master Degree	Post Graduate in Business Management (HR)
Remuneration last drawn (In Rupees)	Rs. 92,650/-Per Month	NA	Rs. 1,75,000 per month
Experience (including expertise in specific functional area)	Collection strategy and policies	Mrs. Pinki Sharma has rich experience in corporate governance, regulatory compliance, and strategic oversight.	Mrs. Sunita Bansal is a Post Graduate in Business Management (HR) from Indian Institute of Technology and Management, Mumbai and has also done graduation in Commerce from Mumbai University. She is promoter and Director of the Company since its inception. Before joining IFL Housing Finance Limited as Whole-time-Director, she was Business Partner in M/ s Instant Credit (an authorized channel partner of various Banks and NBFCs namely ICICI Bank, Axis Bank, HDFC Bank, RBL, Standard Chartered Bank, India bulls, Capri global, HDB financials etc.)

Brief Profile	Ms. Kriti Suri is the in-charge of the Company's collection strategy and policies. She identifies the areas in the collection process that needs improvement and implements an enhanced process for effective collections. Ms. Kriti Suri is a post-graduate in Commerce and possess exceptional problem solving and decision- making skills. She regularly monitors repayment of accounts and analyses causes of delinquency, while bringing effective processes for timely collections.	Mrs. Pinki Sharma is a seasoned professional with a Master's degree. With a strong academic background and a keen understanding of corporate governance and compliance matters, she brings a balanced and independent perspective to the Board. Mrs. Pinki Sharma has a commendable understanding of regulatory frameworks and business operations, and is committed to upholding the highest standards of corporate ethics and transparency. As an Independent Director, she actively contributes to the decision-making process of the Company and provides guidance on strategic and financial matters. Her presence on the Board enhances the objectivity and independence of the Company's governance framework.	Mrs. Sunita Bansal is a Post Graduate in Business Management (HR) from the Indian Institute of Technology and Management, Mumbai, and holds a Bachelor's degree in Commerce from Mumbai University. She has been a Promoter of the Company since its inception, serving as Whole-time Director for several years and as a Non-Executive Director from 28th October 2024 till the present. Prior to joining IFL Housing Finance Limited, she was a Business Partner at M/s Instant Credit, an authorised channel partner of leading banks and NBFCs, including ICICI Bank, Axis Bank, HDFC Bank, RBL, Standard Chartered Bank, Indiabulls, Capri Global, and HDB Financial Services.
Terms and Conditions of Appointment/ Reappointment	Ms. Kriti Suri is hereby re-appointed as a Director of the Company, liable to retire by rotation	Mrs. Pinki Sharma is appointed as an Independent Director on the Board of the Company for for a period of five years with effect from July 17, 2025 till July 16, 2030	Change in Designation of Mrs. Sunita Bansal (DIN: 02801660) from Non-Executive Director to Whole-Time Director for a period of Five (5) years from 20th August, 2025 to 19th August, 2030

Name of other Public Companies in which the person holds the Directorships	NIL	NIL	NIL
Name of the Public Companies in which the person holds the Memberships of committees of the Board	NIL	NIL	NIL
Shareholding in the Company (Equity)	1480010, equity shares as on March 31, 2025	NIL	6942410, (8.19%) equity shares as on March 31, 2025
Relationship with other Directors/Manager/Key Managerial Personnel	She is one of the Promoters of the Company.	NA	She is one of the Promoters of the Company.
Number of Board Meetings attended during the FY 2024-25	35 out 35	NA	35 out 35
Listed entities in which the Director has resigned in past three years	NIL	NIL	NiL

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

Sd/-
Shivani Jindal
Company Secretary

Place: New Delhi
Date: 23.07.2025

IFL FINANCE LIMITED
(Formerly known as IFL Housing Finance Limited)
CIN- U65910DL2015PLC285284
Regd. Office- D-16, 1stFloor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
E-mail Id : info@iflfinanceltd.com Website : www.iflfinanceltd.com
Contact No : 01147096097

Form No. MGT-11
PROXY FORM
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U65910DL2015PLC285284
Name of the Company : IFL Finance Limited
Registered Office : D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi 110085

Name of the member(s) :

Registered Address :

Email ID :

Folio No./Client ID :

DP ID :

I / We being the member(s)holding shares of the above named Company hereby appoint:

1. Name :

Address :

Email ID :
Or failing him

2. Name :

Address :

Email ID :
Or failing him

3. Name :

Address :

Email ID :
Or failing him

as my / our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the 10th Annual General Meeting of the Company to be held on Wednesday, 20th August, 2025 at 11:30 a.m. at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi 110085 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO	RESOLUTIONS
Ordinary Business	
1	To receive, consider and adopt the financial statements of the company for the financial year ended March 31, 2025 including Audited Balance Sheet as on March 31, 2025, Cash Flow Statement and the Statement of Profit and Loss, for the financial year ended on March 31, 2025, along with the reports of the Board of Directors('the Board') and the Auditors thereon.
2	To appoint a Director in place of Ms. Kriti Suri (DIN: 09258479), who retires by rotation and, being eligible, offers herself for re-appointment.
3	Appointment of Mrs. Pinki Sharma (DIN: 11194389) as the Non-Executive Independent Director
4	Change in Designation Mrs. Sunita Bansal (DIN 02801660) from Non Executive Director to whole time Director

Signed this ..... Day of. 2025

Affix
Rs. 1/-
Revenue
Stamp

Signature of the member .....

Signature of the Proxy holder(s) (1) ..... (2) ..... (3) .....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

IFL FINANCE LIMITED
(Formerly known as IFL Housing Finance Limited)
CIN- U65910DL2015PLC285284
Regd. Office- D-16, 1stFloor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
E-mail Id : info@iflfinanceltd.com Website : www.iflfinanceltd.com
Contact No : 01147096097

ATTENDANCE SLIP

Full name and address of the Shareholder/Proxy Holder (in block letters)	
Joint Holder 1(in block letters)	
Joint Holder 2(in block letters)	
Folio No./DP ID*/Client ID*:	
No. of Shares Held	
I hereby certify that I am a member/proxy for the member of the Company. **Signature of Shareholder/Proxy**	

I / we hereby record my presence at the tenth Annual General Meeting of the Shareholders of IFL Finance Limited (Formerly known as IFL Housing Finance Limited) held on Wednesday, 20th August, 2025 at 11:30 a.m. at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.

Note: Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise. Shareholders are also requested to bring their copy of annual report. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting.

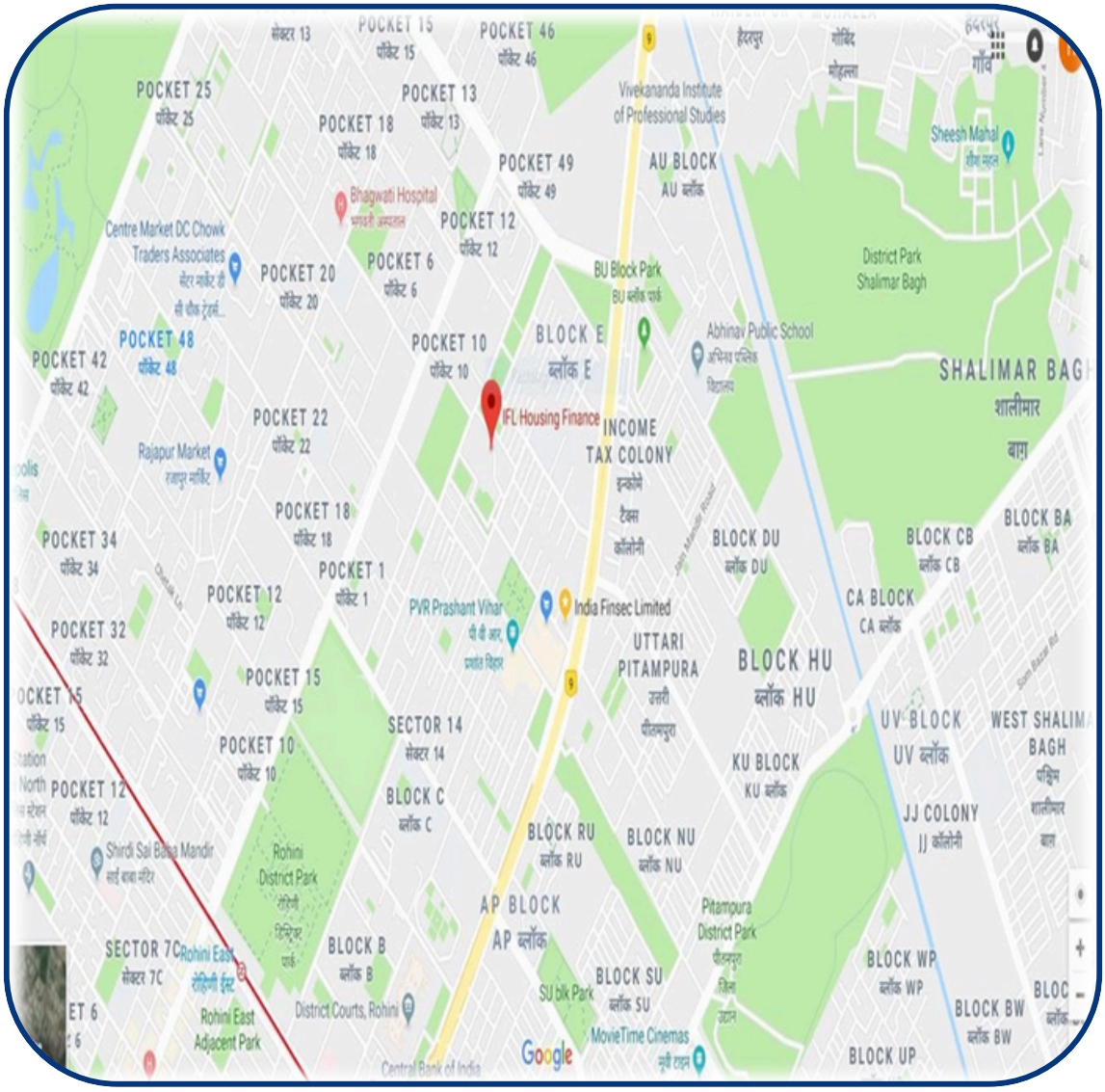
*Applicable for shareholders holding shares in electronic form.

Finance Annual Report 2024 - 25

ROUTE MAP TO THE VENUE OF AGM

Name of the Company : IFL Finance Limited

Registered Office : D-16, First Floor, Above ICICI bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.



Finance Annual Report 2024 - 25

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 10th Annual Report on the business and operational performance of the Company together with the Audited Financial Statements and the Report of the Auditors for the financial year ended 31st March, 2025.

1. OVERVIEW & STATE OF THE COMPANY'S AFFAIRS

The financial statements for the financial year ended March 31, 2025, forming part of this annual report, have been prepared in accordance with Ind AS notified under section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

During the year, the Company has earned a total income of Rs. 7137.08/- Lakhs- as compared to Rs. 6377.54/-Lakhs in the previous year, recording an increase of 11.91%. Total expenses during the year were Rs. 4745.17/- Lakhs as compared to Rs. 4772.51/- Lakhs in the previous year, an decrease of 0.57%.

During the year, the Company has earned a Profit before Tax of Rs. 2391.92/- Lakhs as compared to Rs. 1605.02/- Lakhs in the previous year, recording an increase of 49.02%. The Profit after Tax during the year was Rs. 1812.75/- Lakhs as compared to Rs. 1215.15/- Lakhs in the previous year, an increase by 49.18%. The tangible Net worth of the Company has increased from Rs. 14,860.31/- Lakhs as on 31st March 2025 to Rs. 9794.10/- Lakhs as on 31st March 2024.

2. FINANCIAL PERFORMANCE

The Company's Performance during its tenth year of Operations is summarized below:

(In Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024
Revenue from Operations	7137.08	6,377.54
Expenses for the period	4745.17	4,772.52
Profit/(Loss) before tax from continuing Operations	2391.92	1,605.02
Current Income Tax for the period	533.88	407.96
Deferred Tax	45.28	(18.09)
Profit/(Loss) for the period	1812.75	1,215.15
Transferred to Statutory Reserve under Section 29C of the NHB Act, 1987	362.55	243.03

3. DIVIDEND

In order to conserve resources for better growth opportunity, your directors have not recommended any dividend for thefinancial year ended 31st March, 2025.

4. TRANSFER TO RESERVES

During the year under review, your Company transferred Rs. 243.03 Lakhsto the Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 and U/s 36(1)(viii) of Income tax act, 1961, out of the amount available for appropriation.

5. CREDIT RATING

During the year under review, the Company has received the Credit Rating of CRISIL **BBB-Stable (Reaffirmed)** from CRISIL Ratings Limited.

6. REVISION OF FINANCIAL STATEMENTS:

There was no revision in the Financial Statements of the financial year ended 31st March, 2025.

7. CHANGE IN THE NATURE OF BUSINESS

There is a significant change in the nature of business. Since April 2024, the company have shifted its focus from Housing Loans to the gold loan as Gold Loan product, being a safe, liquid and highly marketable product, has promising prospects. The Company no housing loans were disbursed during the Fy 2024-25. The gold loan portfolio grew substantially from ₹115.69 crore in FY 2024 to ₹210.52 crore in FY 2025. Additionally, the company expanded its physical presence, increasing its gold loan branches from 20 to 33 during the same period.During the year, the Company has applied to the Reserve Bank of India (RBI) for conversion from a Housing Finance Company (HFC) to a Non-Banking Financial Company - Investment and Credit Company (NBFC – ICC) during the financial year 2024-25. The conversion has been successfully completed, and the RBI has issued a fresh Certificate of Registration to the Company dated 26th June, 2025, confirming its new status as an NBFC-ICC.

8. MATERIAL CHANGES AND COMMITMENTS

There is no change which may affect the financial position of the Company between the end of the financial year and up to the date of this report. However, there has been a significant constitutional change, as the Company has applied to the Reserve Bank of India (RBI) for conversion from a Housing Finance Company (HFC) to a Non-Banking Financial Company - Investment and Credit Company (NBFC – ICC) during the financial year 2024-25. The conversion has been successfully completed, and the RBI has issued a fresh Certificate of Registration to the Company dated 26th June, 2025, confirming its new status as an NBFC-ICC. Additionally, in response to the RBI's recommendations, the Company has officially changed its name from IFL Housing Finance Limited to IFL Finance Limited, aligning with its broader scope of activities as an NBFC-ICC.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There has been a significant constitutional development during the financial year 2024-25. The Company had applied to the Reserve Bank of India (RBI) for conversion 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 Company dated 26th June, 2025, confirming its new status as an NBFC-ICC. In line with the RBI's recommendations, the Company has also changed its name from IFL Housing Finance Limited to IFL Finance Limited, reflecting its expanded scope of activities as an NBFC-ICC. These regulatory changes do not impact the going concern status of the Company but mark a strategic shift in its operational framework.

10.DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

During FY 2024-25, our Company continued to maintain a robust and well-defined Internal Control System and Internal Financial Control (IFC) mechanisms that are commensurate with the size, scale and complexity of its operations. These controls are designed to ensure the safeguarding of the Company's assets and to facilitate efficient and effective business operations. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

11. DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

The Company does not have any Subsidiary/Joint Venture/Associate Companies.

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

The company has no subsidiaries, joint venture and associates companies so there is no requirement of description of performance of Subsidiaries and Joint Venture companies.

13. PUBLIC DEPOSITS

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

14. AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, M/s Ajay Rattan & Co., Chartered Accountants (Firm Registration No. 012063N) appointed by the members at the 4th Annual General Meeting held on September 26, 2019 as the statutory Auditor of the Company for a period of four years upto the conclusion of 8th Annual General Meeting held in year 2023 and was eligible for re-appointment.The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 139(2) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 139(1) of the said Act.The Board on recommendation of Audit Committee recommends to the members for re-appointment of the Statutory Auditor for conducting audit of financial statements of the Company from the conclusion of 8th Annual General Meeting till the conclusion of 13th Annual General Meeting to be held in the year 2028.

AUDITOR'S REPORT

All Observations made in the Auditors' Report and Notes forming part of the Financial Statements are self-explanatory. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, in their Audit Report for the financial year 2024-25. Further, there were no frauds reported by the auditor pursuant to sub- section (12) of section 143 of the Companies Act, 2013.

SECRETARIAL AUDITOR

CS Sarita Singh, Proprietor of M/s Sarita Singh & Associates, Practicing Company Secretary, was appointed as the Secretarial Auditors to conduct the Secretarial Audit for the financial year ended March 31, 2025. The Secretarial Audit Report in Form MR-3 for the financial year 2024-25 forms part of this Report as **Annexure-I**. The Report do not contain any qualification, observation, reservation, adverse remark or disclaimer.

INTERNAL AUDITOR

Mr. Lalit Kumar, Chartered Accountant has resigned from the Post of Internal Auditor w.e.f. 08th April, 2025. Pursuant to provisions of Section 138 read with rules made there under, Mrs. Rajni, Chartered Accountant, was appointed as an Internal Auditor on 08th April, 2025 for the financial year 2024-25 and financial year 2025-26 to check the internal controls and functioning of the activities of the Company and also recommends way of improvement. Internal Auditor have provided Internal Audit Report of the Company for the financial year ended March 31, 2025. The Internal audit is carried out on quarterly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction. The Report do not contain any qualification, observation, reservation, adverse remark or disclaimer.

COST AUDITOR

The Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, as the cost audit is not applicable to the Company.

15. SHARE CAPITAL

The Authorized share capital of the Company is Rs. 10,000.00/- Lakhs divided into 1,000.00 Lakhs equity shares of face value of Rs. 10/- each.

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 has not issued any shares on preferential basis during the financial year 2024-2025.

F. ISSUE OF BONUS SHARES

The Company has not issued any bonus shares during the financial year 2024-2025.

G. ISSUE OF RIGHT SHARES

The Company have issued dated 23rd January, 2025, 47,08,796 (Forty Seven Lakhs Eight Thousand Seven Hundred Ninety Six)equity shares (Face Value of Rs.10/- each) at premium of Rs. 8.50/- each to the applicants from whom the Company has received the share application money through direct application or through renounces aggregating to Rs. 8,71,12,726 (Rupees Eight Crores Seventy One Lakhs Twelve Thousand Seven Hundred Twenty Six Only).

Further the company have issued dated 15th February, 2025, 1,41,26,368 (One Crore Forty One Lakh Twenty Six Thousand Three Hundred Sixty Eight Only) equity shares (Face Value of Rs.10/- each) at premium of Rs. 8.50/- each to the applicants from whom the Company has received the share application money through direct application or through renounces aggregating to Rs. 26,13,37,808.00 (Rupees Twenty Six Crores Thirteen lakhs Thirty Seven Thousand Eight Hundred Eight Only).

16. 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 Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, 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 Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding Technology absorption, are not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings and outgo are given below:

PARTICULARS	**FOR THE YEAR ENDED 31.03.2025**	**FOR THE YEAR ENDED 31.03.2024**
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

17. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR), under section 135(1) of the Companies Act, 2013 is applicable to the Company during the year under report. Your Company has in place, Corporate Social Responsibility Policy, as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014, which lays down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large. The annual report on CSR activities is annexed separately to this report. The total amount of CSR contribution and payment details are given in Annexure-II to this Board's Report. The CSR Policy is available on the website of the Company, i.e. www.iflfinanceltd.com.

18. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence as laid down in Section 149(6) of the Companies act, 2013.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

Pursuant to the requirement of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company was held on 30th March, 2025 without the attendance of non-independent directors and members of management. All independent directors were present in the meeting.

19. AUDIT COMMITTEE

Your Company has a duly constituted Audit Committee as per the provisions of Section 177 of Companies Act, 2013. As at 31st March, 2025, the Committee comprises of:

1. Mr. Amit Kumar Agarwal, Chairperson
2. Mr. Devi Dass Agarwal, Member
3. Mr. Gopal Bansal, Member

The Audit Committee and other Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

20. NOMINATION & REMUNERATION COMMITTEE

Pursuant to provision of sub-section (1) of section 178 of the Companies Act, 2013, Company has a Nomination & Remuneration Committee from 03rd August, 2017 and a Nomination & Remuneration Policy for its directors and senior management. As at 31st March, 2025, the Committee comprises of:

1. Mr. Amit Kumar Agarwal, Chairperson
2. Mr. Devi Dass Agarwal, Member
3. Mrs. Sunita Bansal, Member

21. FORMAL ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS UNDER SECTION 134(3)(P) AND RULE 8(4) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Pursuant to the provisions of the Act and its Rules, an annual evaluation of the performance of the Board, its Committees and of individual Directors, were carried out during the year. Also the Nomination and Remuneration Committee has evaluated the Directors/ KMPs at the time of their appointment.

22. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR, IN TERMS OF RULE 8 (5) (IIIA) OF COMPANIES (ACCOUNTS) RULES, 2014 AS AMENDED

The Independent Directors are selected as per the applicable provisions of Act, read with RBI Master Directions based upon the qualification, expertise, track record, integrity and other “fit and proper” criteria and the Company obtains the necessary information and declaration from the Directors. All the Independent Directors of the Company have strong academic background and having long stint experience with renowned Government and private Organizations/ Corporates. The integrity/ expertise of the Directors have been evaluated by the Board and NRC at the time of appointment and every year evaluated at the respective meetings.

23. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANGERIAL PERSONNEL AND OTHER EMPLOYEES

The Nomination and Remuneration Committee has formulated criteria for appointment of directors, determining qualifications, positive attributes and independence of a director and has in place a policy on Board which laid down the criteria of remuneration for the directors, Key Managerial Personnel and other employees in the Nomination & Remuneration Policy. The Policy approved by the Board is available on the Company's website www.iflfinanceltd.com.

24. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a board approved vigil mechanism/whistle blower policy to provide adequate safeguards against victimization of employees and directors. It aims to provide a mechanism to report any unethical behavior, illegitimate practices or other concerns within the Company. The Company affirms that no person was denied access to the Audit Committee.

25. PARTICULARS OF EMPLOYEES

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company shall disclose the details about its employees. This provision is not applicable on our company.

26. PREVENTION OF SEXUAL HARRASMENT 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. No case was reported during the year under review.

27. FRAUD REPORTING

a) There were no material fraud cases amounting to Rs. 1.00 crore or above, detected and required to be reported during the FY 2024-25, as per the provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013 to the regulatory authorities.
b) The Company has detected 1 (One) Fraud of value involved of Rs. 4 Lakh committed by the proposed customer in Narela Branch, Delhi during the FY 2024-25 and the same has been reported to National Housing Bank/ Reserve Bank of India.
c) The Company is having total 3 fraud cases amounting of Rs. 27.67/- Lakhs pertaining to preceding financial years.

28. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2025, the Board of the Company was duly constituted in accordance with the provisions of the Companies Act 2013.

S. NO.	NAME OF DIRECTOR	DESIGNATION	DIN/PAN	DATE OF APPOINTMENT/CHANGE IN DESIGNATION
1	Mr. Gopal Bansal	Managing Director	(01246420)	28.06.2017
2	Mrs. Sunita Bansal##	Director	(02801660)	28.10.2024
3	Mr. Ashish Bansal	Whole-Time Director	(06607944)	07.08.2021
4	Ms. Kriti Suri	Whole-Time Director	(09258479)	07.08.2021
5	Mr. Amit Kumar Agarwal	Independent Director	(08768575)	08.07.2020
6	Mr. Ramesh Bansal*	Independent Director	(09126805)	-
7	Mr. Devi Dass Agarwal	Independent Director	(09152596)	07.08.2021
8	Ms. Prerna Matta Arora	Chief Financial Officer	BAMPM7236C	01.11.2022
9	Ms. Varsha Bharti**	Company Secretary	AROPB3152H	-
10	Ms. Shivani Jindal#	Company Secretary	BSNPJ5687C	09.09.2024

##Change in designation w.e.f. 28.10.2024, *resigned w.e.f. 28.10.2024, **resigned w.e.f. 17.07.2024 and #appointed w.e.f. 09.09.2024

All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013 and are not debarred from holding the office of Director by virtue of any other such authority.

29. NUMBER OF MEETINGS OF THE BOARD

During the year under review, the Board of Directors of the company met Thirty Fifth (35) times viz on 15.04.2024, 29.04.2024, 20.05.2024, 28.05.2024, 20.06.2024, 28.06.2024, 15.07.2024, 20.07.2024, 12.08.2024, 20.08.2024, 09.09.2024, 14.09.2024, 20.09.2024, 26.09.2024, 27.09.2024, 09.10.2024, 15.10.2024, 22.10.2024, 23.10.2024, 28.10.2024, 07.11.2024, 11.11.2024, 14.11.2024, 19.11.2024, 26.11.2024, 06.01.2025, 15.01.2025, 16.01.2025, 25.01.2025, 30.01.2025, 31.01.2025, 04.02.2025, 15.02.2025, 08.03.2025 and 25.03.2025.

30. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Since the Company is a housing finance company, the disclosures for FY 2024-25 regarding particulars of the loans given, guarantees given and security provided is exempt under the provisions of Section 186(11) of the Companies Act, 2013. As regards investments made by the Company, the details of the same are provided in notes to the financial statements of the Company for the year ended March 31, 2025.

31. PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES

The Company has entered into contract and arrangements with related party as per the provisions of Section 188 of the Companies Act, 2013 and were on an arms's length basis. The particulars of which are attached to this report in prescribed form AOC-2 as 'Annexure III'. As per the requirement of NHB circular, a policy on Transactions with Related Parties is given as 'Annexure IV' to this report.

32. RISK MANAGEMENT POLICY

Company has implemented the well-organized risk management policy for identification of elements of risk and providing assurance that the risks are actively managed. These include: credit risk, market risk, operational risk. Risk Management Committee is formed with the overall responsibility of managing and addressing the various risks it is exposed to, on account of being in the lending business.
As at 31st March, 2025, the Risk Management Committee comprises of the following members:
Mr. Gopal Bansal- Chairman
Mr. Ashish Bansal- Member
Mr. Amit Kumar Agarwal –Member
Ms. Prerna Matta Arora- Member & Risk Officer

Detailed information on risk management is provided in Management Discussion & Analysis.

33. ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

The Asset Liability Management Committee (ALCO) lays down policies and quantitative limits that involve assessment of various types of risks and shifts in assets and liabilities to manage such risks. The Company has duly implemented the NHB's Asset Liability Management (ALM) Guidelines applicable to HFCs.

The Board of Directors of the company has approved the ALM Policy & Framework and reviewed the same time to time. The ALCO Committee ensures that the liquidity and interest-rate risks are contained within the limits laid down by the NHB. As at March 31, 2025, your company had a strong asset-liability position with positive gaps across all the buckets. The ALCO apprises the board on Asset Liability management issues periodically.

34. DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with Clause (c) of Sub-Section (3) of Section 134 and sub-section (5) of Section 134 of the Companies Act, 2013 the Board of Directors of the company informed the members that :

(A) In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(B) The directors had 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 in the Balance Sheet as at March 31, 2025 and the statement of Profit & Loss Account for the financial year ended 31st March, 2025;

(C) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(D) The directors had prepared the annual accounts on a going concern basis;

(E) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(F) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. CHANGES AMONG DIRECTORS AND KMP

Directors

Directors During the period under review, Mr. Ramesh Bansal (DIN: 09126805) has resigned dated 28.10.2024 and change in designation of Mrs. Sunita Bansal (DIN: 02801660) from Whole Time Director to Non-Executive Director w.e.f. 28.10.2024. There were no other changes in the Directors the Company.
Mrs. Pinki Sharma has been appointed as Additional Director (Non-Executive Independent Director) dated 17.07.2025 subject to the approval of shareholders.

KMP

Ms. Varsha Bharti resigned from the post of Company Secretary of the Company w.e.f. 17.07.2024 and Ms. Shivani Jindal was appointed as Company Secretary of the Company w.e.f. 09.09.2024. There were no other changes in the Key Management Personnel of the Company.

36. REMUNERATION TO DIRECTOR'S & KMP

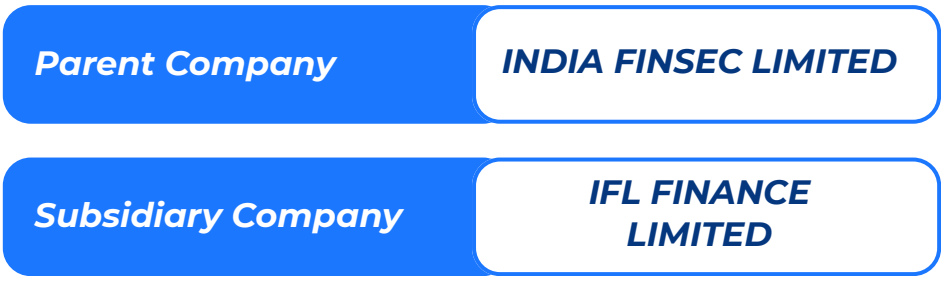
The details relating to the remuneration of Directors and Key Managerial Personnel forms part of the financial statements of the Company.

37. DETAILS OF THE AUCTIONS CONDUCTED WITH RESPECT TO GOLD LOAN

During the year under review, the Company auctioned 1020 loan accounts (Previous Year: 1082 accounts). The outstanding dues on these loan accounts were Rs. 467.15 Lakhs (March 31, 2024: Rs. 524.94 Lakhs) exclusive of GST till the respective date of auction. The Company realized Rs.501.13 Lakhs (March 31, 2024: Rs. 528.59 Lakhs) on auctioning of gold Jewellery taken as pledge on these loans. The Excess realized Amount was refundable to Customers. Company confirms that none of its sister concerns participated in the above auctions.

38. GROUP STRUCTURE

Diagrammatic representation of group structure is as under:-



39. NATIONAL HOUSING BANK GUIDELINES

The Company has complied with the provisions of the Housing Finance Companies (NHB) Directions as prescribed by National Housing Bank (NHB) and has been in compliance with the various Circulars, Notifications and Guidelines issued by NHB from time to time. The Circulars, Notifications and Guidelines issued by NHB are also placed before the Audit Committee/Board of Directors at regular intervals to update the Committee/Board members on the status of compliance with the same. Your Company has also formulated various policies and codes regarding Know Your Customer & Anti Money Laundering ((KYC & AML) Policy, Fair Practice Code, Grievance Redressal Mechanism etc. in compliance with various guidelines issued by National Housing Bank.In October 2020, RBI issued the regulatory framework for HFCs in supersession of the corresponding regulations by NHB. The objective of the framework was to facilitate regulatory transition in a phased manner. Further, on February 17, 2021, RBI issued Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions). The Company is in compliance with applicable Circulars, Notifications and Guidelines issued by RBI and NHB from time to time conduct various inspection observations of NHB were satisfactorily complied and resolved and reported to the Board.

As per the Master Circular- Returns to be submitted by Housing Finance Companies (HFCs) and various Circulars/ Guidelines/ Notifications issued by NHB, your Company has duly complied and submitted all the required monthly/ quarterly/ half yearly NHB reports/ returns, intimation of opening/ closing of branches within prescribed time-limit during the FY 2024-25.

The Company being a financial institution is also registered for taking SARFAESI Action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”) and the same has been notified by NHB.

40. REGULATORY COMPLIANCE

The Company has complied with Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 and erstwhile the Housing Finance Companies (NHB) Directions, 2010 and other directions/ guidelines prescribed by RBI regarding deposit acceptance, accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy,

credit rating, corporate governance, information technology framework, fraud monitoring, concentration of investments, capital market exposure norms and know your customer and anti-money laundering.

41. CORPORATE GOVERNANCE

The Company has consistently complied with all applicable statutory and regulatory requirements, including adherence to Secretarial Standards and the principles of sound Corporate Governance. It has also ensured timely registration and renewal of licenses across various regulatory portals, in line with the RBI's Scale-Based Regulations and other applicable guidelines. Since its inception, maintaining the highest standards of Corporate Governance has remained a core principle of the Company's business operations.
The Company sees corporate governance standard beyond the compliance of regulatory norms. Transparency, fairness, integrity, effective internal controls at each level of operations in each business transactions, adequate and prompt disclosure to respective shareholders are the key ingredients to the corporate governance.

Further, in order to adopt best practices and greater transparency in the operations of the Company and in compliance with the Directions issued by National Housing Bank i.e. "Housing Finance Companies-Corporate Governance (National Housing Bank) Directions, 2016" ("NHB Directions"), The Board of Directors of the Company approved and adopted the "Internal Guideline on Corporate Governance". The Guidelines on Corporate on Corporate Governance are available at the Company's Website having link. www.iflfinanceltd.com .

42. ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Act, the Annual Return of the company as of March 31, 2025 is displayed on the website of the Company at www.iflfinanceltd.com.

43. 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

44. 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 for the above purpose during the year under review hence no disclosure is required.

45. 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.

46. ACKNOWLEDGEMENT

Your Board of Directors would like to place on record their sincere gratitude to the Regulators, Reserve Bank of India, National Housing Bank, Registrar of Companies, Insurance Regulatory and Development Authority of India, Ministry of Corporate Affairs, all Bankers to the Company, Central & State government departments, Tax Authorities, Registrars, other stake-holders, customers and all other business associates for their continued support during the year under report.

47. CAUTIONARY STATEMENT

Certain Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statements.

Your Company and management team also express their sincere gratitude to the Promoter group entity and Holding Company India Finsec Ltd. for their unstinted support & co-operation.

Your Directors wish to acclaim the hard work and commitment of the employees at all levels who had contributed with all their might for improving the performance of the Company year by year.

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

Date : 23.07.2025
Place : Delhi

sd/-
Gopal Bansal
Managing Director
(DIN: 01246420)

sd/-
Sunita Bansal
Director
(DIN: 02801660)

ANNEXURE - I

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, 1st 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 31st 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 31st 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);

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- 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
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- 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:-

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. 29th April, 2024.
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. 29th April, 2024.

Due to Pre-occupation, Mr. Lalit Kumar, Chartered Accountant, resigned from the post of Internal Auditor w.e.f. 08th April, 2025.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. 08th April, 2025.
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.
Ms. Varsha Bharti has resigned from the post of Company Secretary (KMP) & Chief Compliance Officer w.e.f. 20th July, 2024.The Company has made appointment of Miss Shivani Jindal as Company Secretary (KMP) w.e.f. 9th September, 2024.

The Company has change the Designation of Mrs. Sunita Bansal from Wholetime Director to Non Executive Director w.e.f. 28th October, 2024.Mr. Ramesh Bansal has resigned from the post of Independent director w.e.f. 28th October, 2024.
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. 16th January, 2025
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. 25th January, 2025.
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. 04th February, 2025.
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. 15th February, 2025.The Company has adopted New Set of Article of Association as per Companies Act, 2013 w.e.f. 18th March, 2025.

The Company has changed its Object Clause w.e.f. 27th March, 2025.

The Company has changed its Name from IFL Housing Finance Limited to IFL Finance Limited w.e.f. 08th April, 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 extant 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 II

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ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

IFL Finance Limited (Formerly known as IFL Housing Finance Limited) ("The Company") has a Board approved Corporate Social Responsibility (CSR) Policy in compliance with Section 135 of the Companies Act 2013 and the rules made thereunder. Pursuant to the amendments to Companies (Corporate Social Responsibility Policy) Rules, 2014 on January 22, 2021, the CSR Policy has been amended and approved by the Board at its meeting. The main objective of the CSR Policy is to lay down guidelines to inculcate the objective of society betterment and philanthropy in its growth plan.
The CSR policy of the Company inter alia provides guiding principles for selection and implementation of CSR activities in pursuance of Schedule VII to the Companies Act, 2013, roles and responsibilities of the CSR Committee, guidance for formulation of an annual action plan, process for implementation of CSR activities, modalities of monitoring and evaluation framework and reporting mechanism. The CSR Policy of the Company is available on the Company's website at https://www.iflfinanceltd.com.The CSR projects undertaken by the Company are within the framework of Schedule VII of the Companies Act, 2013. The Company's CSR projects are focused on core sectors such as Hunger, Malnutrition, Healthcare, Environment sustainability, Education, Gender Equality, Empowerment of Women and care for Senior Citizens, Protection of National Heritage, Art and Culture etc.

2. COMPOSITION OF CSR COMMITTEE :

As per section 135 (9) of the Companies Act, 2013, no Constitution of CSR Committee is required where CSR Expenditure does not exceed Rs. 50.00 Lakhs. Therefore, the function of CSR Committee of the Company is being discharged by the Board of Director of the Company.

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.The web link is as under: https://www.iflfinanceltd.com

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT). Not Applicable

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY : NIL

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5)	**: Rs. 9,21,80,212/-**
7. (a) Two percent of average net profit of the company as per section 135(5)	**: Rs. 18,43,604/-**
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	**: Rs. 0/-**
(c) Amount required to be set off for the financial year, if any	**: Rs. 3,00,388.05/-**
(d) Total CSR obligation for the financial year (7a+7b-7c):	**: Rs. 15,43,215.95/-**

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CSR SYNOPSIS

As a responsible corporate citizen, the Company is committed to contributing meaningfully to the society in which it operates. In line with its CSR policy and as per the provisions of the Companies Act, 2013, the Company undertook several initiatives during the financial year aimed at promoting sustainable and inclusive development

KRISHNA GAU SHALA







As part of the Company's continued commitment to animal welfare, a Mahindra TREO electric vehicle was procured to support the efficient collection of food donations from local households. These contributions play a vital role in sustaining the 500 cows currently sheltered at the Gau Shala. The initiative ensures a consistent and reliable supply of nutritious food, directly contributing to the health and well-being of the animals.

RAJASTHAN MILLENIUM CLUB



IFL Finance installed a Cool Star water cooler through the Rajasthan Millennium Club as part of its CSR initiative.

As part of our commitment to supporting education and health infrastructure, IFL Finance installed through the Rajasthan Millennium Club, a Cool Star water cooler at Kendriya Vidyalaya, Sector-3, Rohini, Delhi, benefiting 1,500 students. Approximately 75% of these students come from economically weaker sections. This initiative ensures that students have access to clean and safe drinking water, promoting better health and hygiene within the school environment, and creating a positive impact on their overall learning experience.

LIONS CLUB INTERNATIONAL





IFL Finance contributed ₹2,00,000 to Lions Club International for the renovation and procurement of furniture and fixtures at a blood and dialysis center in Delhi. The center provides dialysis treatment to 100 to 150 patients daily, all of whom belong to economically weaker sections. On an annual basis, the facility impacts the lives of nearly 40,000 individuals. This initiative enhances access to vital healthcare services, reinforcing our commitment to social responsibility.

ADARSH SHIKSHA SAMITI







In our continued commitment to advancing education, IFL Finance contributed ₹2,50,000 to Adarsh Shiksha Samiti to enhance educational infrastructure in schools. This contribution supported the installation of LED boards and other technological resources aimed at fostering a modern learning environment. The 500 students benefiting from this initiative come from economically backward areas, where access to technology is limited. By introducing students to technology, we are empowering them with tools for future growth and development, paving the way for better educational opportunities and career prospects.

EKAL SHRIHARI VANVASI VIKAS TRUST







IFL Finance supported initiatives in Sanskar Shiksha, Gram Shiksha, Gram Swavlamban, and de-addiction programs in Mandi, North Himachal, contributing to rural development and social upliftment. These programs have positively impacted 950 individuals through successful de-addiction from substance abuse. Additionally, they provided education in tribal areas, focusing on enhancing vocational skills, promoting basic hygiene, and improving overall education. Through these efforts, IFL Finance is empowering communities to build a healthier, more educated future.

MANGALAYATAN UNIVERSITY





IFL Finance donated ₹4,71,000 to Mangalayatan University towards infrastructure development, supporting the institution's objective of promoting educational activities and academic growth.

This step not only reflects IFL Finance dedication to social responsibility but also underscores its belief that sustainable progress can be achieved by strengthening educational ecosystems and equipping the youth with the tools to excel in a competitive world.

8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:

TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR. (IN RS.)	AMOUNT UNSPENT (IN RS.)				
	TOTAL AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT AS PER SECTION 135(6).		AMOUNT TRANSFERRED TO ANY FUND SPECIFIED UNDER SCHEDULE VII AS PER SECOND PROVISO TO SECTION 135(5).		
	AMOUNT.	DATE OF TRANSFER.	NAME OF THE FUND	AMOUNT.	DATE OF TRANSFER.
Rs. 15,47,000/-	N.A.				

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
SL. NO.	NAME OF THE PROJECT.	ITEM FROM THE LIST OF ACTIVITIES IN SCHEDULE VII TO THE ACT.	LOCAL AREA (YES/ NO).	LOCATION OF THE PROJECT.		PROJECT DURATION.	AMOUNT ALLOCATED FOR THE PROJECT (IN RS.).	AMOUNT SPENT IN THE CURRENT FINANCIAL YEAR (IN RS.).	AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT FOR THE PROJECT AS PER	MODE OF IMPLEMENTATION - DIRECT (YES/ NO).	MODE OF IMPLEMENTATION - THROUGH IMPLEMENTING AGENCY	
				STATE.	DISTRICT.						NAME	CSR REGISTRATION NUMBER
	Nil											

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SL. NO.	NAME OF THE PROJECT	ITEM FROM THE LIST OF ACTIVITIES IN SCHEDULE VII TO THE ACT.	LOCAL AREA (YES/ NO).	LOCATION OF THE PROJECT.		AMOUNT SPENT FOR THE PROJECT (IN RS.).	MODE OF IMPLEMENTATION - DIRECT (YES/NO).	MODE OF IMPLEMENTATION - THROUGH IMPLEMENTING AGENCY/ Direct	
				STATE.	DISTRICT.			NAME.	CSR REGISTRATION NUMBER.
1	Animal Welfare	Animal Welfare	No	Paota, Jaipur, Rajasthan		400,000	Yes	Shree Krishan Gaushala	CSR00073802
2	Promoting Education/ Special Education	Promoting Education/ Special Education	Yes	Rajasthan Millenium Club Sector-9, Rohini, New Delhi-110085		101,000	NO	Through implementing agency Rajasthan Millenium Club, Sector-9, Rohini, New Delhi-110085	CSR0005363

3	Promoting Healthcare	Promoting Healthcare	yes	Lions Club International District 321A Trust, Shalimar Bagh, Delhi-110088	200,000	NO	Through implementing agency Lions Club International, Shalimar Bagh, Delhi-110088	CSR00005810
4	Promoting Healthcare	Promoting Healthcare	yes	Adarsh Shiksha Samiti, Jaipur	250,000	NO	Through implementing agency Adarsh Shiksha Samiti, Jaipur	CSR00005994
5	Upliftment of Tribals and education	Upliftment of Tribals and education	yes	Ekal Shrihari Vanvasi Vikas Trust, Mumbai	125,000	NO	Through implementing agency, Ekal Shrihari Vanvasi Vikas Trust, Mumbai	CSR00003396
6	Promoting Education	Promoting Education	yes	Mangalayatan University, Aligarh, Uttar Pradesh	471,000	NO	Through implementing agency, Mangalayatan University, Aligarh, Uttar Pradesh	CSR00014547

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS : NIL
(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE : N.A.
(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B+8C+8D+8E) : Rs. 15,47,000/-

SL. NO.	PARTICULAR	AMOUNT (IN RS.)
(i)	CSR Obligation	15,43,215.95/-
(ii)	Total amount spent for the Financial Year	15,47,000.00/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,784.05
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(3,784.05)

SL. NO.	PRECEDING FINANCIAL YEAR.	AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT UNDER SECTION 135 (6) (IN RS.)	AMOUNT SPENT IN THE REPORTING FINANCIAL YEAR (IN RS.).	AMOUNT TRANSFERRED TO ANY FUND SPECIFIED UNDER SCHEDULE VII AS PER SECTION 135(6), IF ANY.			AMOUNT REMAINING TO BE SPENT IN SUCCEEDING FINANCIAL YEARS. (IN RS.)
				NAME OF THE FUND	AMOUNT (IN RS).	DATE OF TRANSFER.	
Nil							

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SL. NO.	PROJECT ID.	NAME OF THE PROJECT.	FINANCIAL YEAR IN WHICH THE PROJECT WAS COMMENCED.	PROJECT DURATION.	TOTAL AMOUNT ALLOCATED FOR THE PROJECT (IN RS.).	AMOUNT SPENT ON THE PROJECT IN THE REPORTING FINANCIAL YEAR (IN RS).	CUMULATIVE AMOUNT SPENT AT THE END OF REPORTING FINANCIAL YEAR. (IN RS.)	STATUS OF THE PROJECT - COMPLETED /ONGOING.
Nil								

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

Date : 23.07.2025
Place : Delhi

sd/-
Gopal Bansal
Managing Director
(DIN: 01246420)

sd/-
Sunita Bansal
Director
(DIN: 02801660)

ANNEXURE III

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 arm's length transactions under third proviso thereto

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

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

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

NAME OF RELATED PARTY AND NATURE OF RELATIONSHI	NATURE OF CONTRACTS/ ARRANGEMENTS /TRANSACTIONS	DURATION OF CONTRACT	SALIENT TERMS, if any	DATE OF APPROVAL BY THE BOARD, IF ANY	AMOUNT (IN LAKHS)
Gopal Bansal (HUF)	Rent Paid	Eleven Months	As per Rent Agreement	29.04.2023	9
Sunita Bansal	Rent Paid	Eleven Months	As per Rent Agreement	29.04.2023	9
	Remuneration		-	23.06.2022	29.3
Gopal Bansal	Remuneration	-	-	23.06.2022	29.3
Kirti Suri	Remuneration & Conveyance	-	-	07.08.2021	9.96
Ashish Bansal	Remuneration	-	-	07.08.2021	14.65
Charu Bansal	Professional Fees	-	-	-	19.2
Prerna Matta Arora	Remuneration	-	-	-	23.63
Varsha Bharti	Remuneration	-	-	-	2.99
Shivani Jindal	Remuneration	-	-	-	4.45
India Finsec Limited	Commission Paid for Bank Guarantee	-	-	-	7.63
Ganga Devi Bansal	Loan Taken	-	As per Loan Agreement	-	167.53
	Loan Repaid	-	As per Loan Agreement	-	167.53
	Interest Paid	-	-	-	7.52

Santosh Bansal	Loan Taken	-	As per Loan Agreement	-	150
	Loan Repaid	-	As per Loan Agreement	-	150
	Interest Paid	-	-	-	8.67
Virender Kumar Bansal	Loan Taken	-	As per Loan Agreement	-	176.11
	Loan Repaid	-	As per Loan Agreement	-	176.11
	Interest Paid	-	-	-	7.92
Nidhi Bansal	Loan Taken	-	As per loan agreement	-	181.95
	Loan Repaid	-	As per loan agreement	-	181.95
	Interest Paid	-	-	-	7.02
Geetanjali Bansal	Professional Charges	-	-	-	15.84
India Finsec Limited	Allotment of Equity shares	-	-	25.01.2025 and 15.02.2025	3,484.51
	Loan Taken	-	As per loan agreement	-	639
	Loan Repaid	-	As per loan agreement	-	639
	Interest Paid	-	-	-	14.13

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

sd/-
Gopal Bansal
Managing Director
(DIN: 01246420)

sd/-
Sunita Bansal
Director
(DIN: 02801660)

Date : 23.07.2025
Place : Delhi

(ANNEXURE IV)

POLICY ON RELATED PARTY TRANSACTIONS

1.SCOPE AND PURPOSE OF THE POLICY

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and National Housing Bank (NHB) Act, NHB Housing Finance Companies Directions, 2010 and Notifications issued by NHB from time to time. In the light of the above, the Company has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee will review and amend the Policy, as and when required, subject to adoption by the Board.

2.ABOUT THE COMPANY

The Company is incorporated as wholly owned subsidiary of India Finsec Limited on 17.09.2015. However, it becomes subsidiary of India Finsec Limited on 23.01.2018.

The Company received Certificate of Registration from National Housing Bank bearing certificate no. 12.0164.17 dated 12.12.2017. Thereafter Company started its housing finance business.

Being a housing finance company, company provides home loans to people who are in the Economically Weaker Sections, Low Income Groups and Middle Income Group (EWS/LIG/MIG) as well as affordable home finance for self employed/salaried people in the organized/unorganized sector. The Company aims to be a significant player in this segment.

3.OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the exceeding thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Companies Act, 2013 and National Housing Bank (NHB) Act and any other laws and regulations as may be applicable to the Company.

4.DEFINITIONS

4.1 " Applicable Laws " includes;
(a) the Companies Act, 2013 ('the Act') and rules made thereunder;
(b) Accounting Standards;
(c) National Housing Bank (NHB) Act, NHB Housing Finance Companies Directions, 2010 and Notifications issued by NHB from time to time and,
(d) any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

4.2 " Arm's Length Transaction " means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

4.3 " Ordinary course of business " means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

4.4 " Company " means IFL Finance Limited (Formerly Known as IFL Housing Finance Limited).

4.5 "Relative" with reference to a Director or KMP means persons as defined in Section 2(77) of the Companies Act, 2013 and rules prescribed thereunder.

4.6 "Related Party" have the meaning as defined in Section 2(76) of Companies Act, 2013 and or any other applicable law or regulation.

4.7 "Related Party Transactions" As per section 188(1) of Companies Act, 2013 related party transaction will include following specific transactions:
a. sale, purchase or supply of any goods or materials;
b. selling or otherwise disposing of, or buying, property of any kind;
c. leasing of property of any kind;
d. availing or rendering of any services;
e. appointment of any agent for purchase or sale of goods, materials, services or property; such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company ;and
f. underwriting the subscription of any securities or derivatives thereof, of the company.
Provided that nothing in section 188(1) shall apply to any transaction entered into by the Company in its ordinary course of business other than transactions which are not at arm's length basis.

4.8 "Shareholder's Approval" All Related Party Transactions shall also be placed for prior approval of shareholders if it exceeds the thresholds as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

4.9 "Key Managerial Personnel" or **"KMP"** shall have the meaning as defined in the Companies Act 2013 and as amended from time to time.

4.10 "Audit Committee" means the committee of Board of Directors of the Company constituted in accordance with the provisions of Companies Act, 2013 and Rules made thereunder.

Any other term not defined herein shall have the same meaning as defined in the Companies Act,2013 or any other applicable law or regulation and as amended from time to time.

5. PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTION

5.1 Approval of the Audit Committee

A. All related party transactions require prior approval of the Audit Committee. However, the Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the following conditions:

a. The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy and such approval which shall include the following namely:

(i) Maximum value of the transaction, in aggregate, which can be allowed under the omnibus route in a year;
(ii) The maximum value per transaction which can be allowed;
(iii) extent and manner of disclosures to be made to the audit committee at the time of seeking omnibus approval
(iv) review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each omnibus approval made;
(v) transactions which cannot be subject to the omnibus approval by the Audit Committee

b. The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:-

(i) repetitiveness of the transactions (in past or in future);
(ii) justification for the need of omnibus approval.

c. The Audit Committee shall satisfy itself regarding the need for such omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company;

d. The omnibus approval shall provide details of

(i) The name/s of the related party, nature of transaction, period of transaction, maximum aggregated value of the particular type of transaction that can be entered into,

Provided that where the need for related party transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding rupees 1 crore per transaction.

e. Such omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after expiry of such financial year.

f. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company.

g. Any other conditions as the Audit Committee may deem fit.

5.2 Approval of the Board of Directors of the Company

A. As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business or not at arm's length basis, are placed before the Board for its approval.

In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval:

B. Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e. value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;

C. Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;

D. Transactions which are in the ordinary course of business and at arm's length basis, but which as per Audit Committee requires Board approval

E. Exceeding the threshold limits, as per Clause 4.8 of the Policy, which are intended to be placed before the shareholders for approval.

5.3 Approval of the Shareholders of the Company

All the transactions with related parties exceeding the threshold limits, as per Clause 4.8 of the Policy, are placed before the shareholders for approval. For this purpose, none of the related parties of the Company shall vote to approve on such shareholders' resolution irrespective of whether the entity is a related party to the particular transaction or not.(RP's can cast only negative vote to reject the shareholders resolution on RPT exceeding the threshold limits). In addition to the above, all kinds of transactions specified under Section 188 of the Act which

A. are not at Arm's Length or not in the ordinary course of business; and (b) exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 are placed before the shareholders for its approval.

However, the requirement of shareholders' approval for Related Party Transactions exceeding the thresholds is not required in case of wholly owned subsidiary, if passed by the holding company, for the purpose of entering into the transaction between wholly owned subsidiary and holding company.

6. IDENTIFICATION OF RELATED PARTY AND RELATED PARTY TRANSACTIONS (RPT)

6.1 For identification of the Related Parties, a list containing RPT will be prepared and updated based on intimations received from the Directors or KMPs or any changes in shareholding structure. The updated RPT List will be referred by the Company for monitoring of the transactions and ensuring compliance.

6.2 Each director and KMP will be responsible for providing notice to the Board or Audit Committee of any potential RPT transaction involving him/ her or his/ her Relative, including any additional reasonable information about the transaction that the Board or the Audit Committee may request. Based on the information provided, the Board/ Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy. Audit Committee may determine the procedure to be followed for declaration as well as compilation and circulation of comprehensive list of related parties.

6.3 All RPT for the relevant period will be placed for approval/ noting/ ratification by the Board of Directors/ the Audit Committee in accordance with this Policy. Such proposals should have relevant information pertaining to the Related Party Transaction, including the name of the related party, the nature of the relationship, nature of the transaction, whether the transaction is in the 'Ordinary Course of Business', whether the transaction is at 'Arm's Length' and/or in terms of the transfer pricing norms prescribed under the Income Tax Act, 1961 (if applicable) and any other matter, as may be required.

7. REPORTING AND DISCLOSURES

All the Disclosure would be done as in compliance with the requirement as specified under Companies Act 2013 and or any other applicable law or regulation.

8. REVIEW OF THE POLICY

The adequacy of this Policy shall be reviewed and reassessed by the Audit Committee periodically and appropriate recommendations shall be made to the Board to update the Charter based on the changes that may be brought about due to any regulatory amendments or otherwise.

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MANAGEMENT DISCUSSION & ANALYSIS



OVERALL BUSINESS ENVIRONMENT

Global Overview : The global economy, though recovering from recent disruptions, is once again facing renewed uncertainty. Rising geopolitical tensions, protectionist trade measures, and shifting policy priorities have created a complex and fragile environment. Ongoing trade conflicts especially those involving the U.S have pushed global tariff rates to record highs, posing fresh challenges for cross-border commerce. Geopolitical instability remains the foremost threat to global economic growth. The Eurozone's economic momentum has weakened, with GDP growth slowing to just 0.8%, while China continues to rely on fiscal stimulus to offset subdued domestic demand. Meanwhile, escalating trade tensionsparticularly between the U.S. and China are deepening global trade fragmentation, leading to increased costs for both businesses and consumers. Emerging markets, closely tied to global trade flows, are especially exposed to these developments. The International Monetary Fund (IMF) has cautioned that such conditions could trigger significant shocks to global growth, underscoring the importance of prudent macroeconomic policies that carefully balance inflation management with efforts to sustain growth.

Outlook

Global growth is expected to moderate, with continued pressure from political instability and trade disruptions. Strategic policy alignment, investment in supply chain resilience, and a focus on innovation will be vital. Public spending in areas like infrastructure, climate resilience, and defense, coupled with labor market reforms and skill development, will be key to navigating the near term and driving inclusive long-term growth.

Indian Economy Overview:

India remains a bright spot in the global landscape, with strong fundamentals supporting its growth story. The economy continues to perform well,
powered by robust domestic demand, sustained government spending on infrastructure, and a dynamic services sector. Though global headwinds—like softening trade and volatile commodity prices—pose risks, India's economic outlook remains solid.

Inflation is expected to ease to around 4% in FY 2025–26, the fiscal deficit is projected to narrow to 4.5% of GDP, and the current account deficit is expected to stay below 2%. Strong investment flows, proactive policy interventions, and structural reforms are helping to reinforce this positive momentum.
India's manufacturing and digital sectors are benefiting from global supply chain diversification and government-led initiatives such as PLI schemes and Make in India. The services sector, led by IT and financial services, continues to be a major growth engine.Rising urban incomes, expanding digital access, and financial inclusion are further boosting consumer confidence.

Outlook

India is on a strong growth trajectory, with real GDP expected to average 6.5% through FY 2028 and nominal GDP projected to exceed USD 6 trillion by 2030—placing the country firmly on course to become the world's third-largest economy. Growth will be driven by a combination of expanding manufacturing capacity, rising services exports, and rapid digital transformation.

Significant opportunities exist in areas such as green energy, digital infrastructure, and shifting global trade dynamics. However, key challenges persist, particularly in generating sufficient employment, increasing labor force participation, and addressing skill gaps. Sustained progress will require ongoing reforms in taxation, labor, and trade policies. Effectively managing global tariff shifts and external risks will be critical in accelerating India's journey toward developed economy status and ensuring long-term, inclusive growth.
Strategic focus on execution, economic resilience, and adaptability will be crucial for India as it transitions toward developed economy status in the coming years.

NBFC

The Non-Banking Financial Company (NBFC) sector in India has witnessed significant evolution in recent years, with the past year standing out for its strong and sustained growth. A key driver of this momentum has been digital transformation. By embracing advanced technologies and digital platforms, NBFCs have expanded their reach, enhanced operational efficiency, and delivered faster, more customized financial solutions. This shift toward digital has not only improved customer experience but also made financial services more inclusive and accessible, particularly for underserved segments.NBFCs have shown remarkable resilience, continuing to grow and innovate despite intense competition from traditional banking institutions.

Their footprint has deepened across multiple lending segments, especially in housing finance, infrastructure lending, and gold loans. Leveraging India's substantial gold reserves, many NBFCs have successfully provided quick, collateral-backed credit, addressing the needs of customers in rural and semi-urban areas. Ongoing regulatory support focused on transparency, governance, and risk management is helping build a strong foundation for long-term stability.
As formalization of the economy progresses and digital adoption accelerates, NBFCs are well-positioned to remain a vital force in India's financial landscape, driving credit access and supporting inclusive economic growth.

Global Gold Market:

In 2025, the global gold market remains remarkably strong, driven by persistent economic uncertainty, geopolitical tensions, and robust central bank demand. Central banks have continued their accumulation streak—the fourth consecutive year—purchasing around 1,000 tonnes annually to diversify reserves and guard against dollar volatility. Investor appetite for gold has increased significantly. Gold-backed ETFs have seen strong inflows, complemented by sustained physical bullion and coin purchases, particularly in Asia. Despite high prices, jewelry demand is showing seasonal recovery, with expectations of a rebound by mid-August driven by cultural buying seasons. On the supply side, global mine output is projected to grow around 1% in 2025 (to roughly 3,694 tonnes), with recycling levels stabilizing after recent increases. The gold market in 2025 is underpinned by institutional demand, investor hedging behavior, and strategic diversification—keeping price momentum strong and the outlook broadly positive.

Indian Gold Loan Market:

India's gold loan sector has experienced steady growth, driven by banks and NBFCs, responding to the rising demand for secure and accessible credit. According to ICRA, the market - covering banks and NBFCs - is expected to exceed ₹10 lakh cr this fiscal year, potentially reaching ₹15 lakh cr by March 2027. Gold has great significance for Indians. The preference for gold jewellery in Indian culture has made it an integral part of everyday life. From rituals and ceremonies to religious festivities, adorning gold is considered a good omen. At the same time, it also provides an opportunity for the common man to invest in an asset class that is considered to be extremely reliable due to its appreciating value. Gold loans have, therefore, become an easy way of accessing credit for numerous borrowers including individuals, small businesses and micro-enterprises.

Gold is often viewed as an unproductive asset, yet, it holds a unique place in Indian culture, where people across all social strata have invested in it for centuries.Today, borrowing against gold during financial need is one of the best ways to make it productive.

Gold loans can be a cheaper alternative to credit cards or unsecured loans, with many NBFCs offering features such as no foreclosure charges, flexibility for partial prepayments, reducing balance interest and flexible repayment options. With a broad reach, gold loan NBFCs make it convenient for customers to unlock the value of their gold without selling it.

Housing Finance Sector Overview:

Housing Finance is a crucial sub-segment in the housing and real estate sector. Real estate prices are gradually rising led by the pent-up ready inventory and keenness of potential home buyer. Continuous support of the Indian government in the affordable real estate sector is driving demand further. With the Credit-linked Subsidy Scheme, homebuyer of the economically weaker sections are finding it easier to acquire a home. The Reserve Bank of India (RBI) doubled the limit for individual housing loans offered by urban cooperative banks (UCBs) and rural cooperative banks (RCBs) to improve credit flow for the housing sector. Given the rise in housing prices, the revised limits will facilitate the growth of the sector. In the Union Budget 2024-25, PMAY-U 2.0 scheme was announced under which financial assistance will be provided to 1 crore urban poor and middle-class families through States/UTs/PLIs to construct, purchase or rent a house at an affordable cost in urban areas in 5 years. NHB has been identified as a Central Nodal Agency (CNA) by the GoI, MoHUA to implement the CLSS and ISS vertical of PMAY and PMAY 2.0 respectively. NHB, as CNA, has released subsidy of ₹49,487.61 crore till October 2024 benefiting 21.08 lakh households (EWS/LIG ~16.46 lakh + MIG ~4.62 lakh).



FINANCIAL PERFORMANCE

The Company's Performance during its Tenth year of Operations is summarized below:

Rs. (in lakhs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2025	FOR THE YEAR ENDED 31.03.2024
Revenue from Operations	**7,137.08**	**6,377.54**
Expenses for the period	**4,745.17**	**4,772.52**
Profit/(Loss) before tax from continuing Operations	**2,391.91**	**1,605.02**
Current Income Tax for the period	**533.88**	**407.96**
Deferred Tax	**45.28**	**(18.09)**
Profit/(Loss) for the period	**1,812.75**	**1,215.15**
Transferred to Statutory Reserve under Section 29C of the NHB Act, 1987	**362.55**	**243.03**

BUSSINESS OVERVIEW:

At IFL Finance, we pride ourselves on our customer-centric philosophy, which forms the foundation of our business. In FY 2024-25, we underwent a significant transformation by transitioning from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). This strategic shift involved filing an application with the Reserve Bank of India, and after addressing all queries raised during the evaluation process, we were granted NBFC-ICC status on June 26, 2025. This milestone is a crucial step in our expansion strategy, allowing us to focus more on the burgeoning gold loan sector.

Gold loan assets have shown consistent growth, and with a large portion of the market still unorganised, the potential for further expansion is significant. The rising price of gold, coupled with a shift in how gold is viewed, has created an opportunity for growth. While gold has traditionally been bought for cultural and for various financial needs.Historical reasons, it is now increasingly seen as an investment asset and a convenient means to raise funds IFL Finance is emerging as one of India's leading non-banking financial companies, specializing in gold loans that are offered at competitive interest rates.

We are committed to delivering value through trustworthy financial services, operating with integrity, and continuously striving for excellence. Our focus remains on understanding and addressing the unique financial needs of our customers, ensuring that we provide accessible and reliable solutions.

As of March 31, 2025, we operate 77 branches across five states, including 33 in Rajasthan, 11 in Madhya Pradesh, 4 in Haryana, 3 in Uttar Pradesh, and 26 in Delhi, with our Head Office based in Delhi. Our efforts have paid off, as we achieved a remarkable 49.14% increase in Profit After Tax (PAT) during FY 2024-25, growing from ₹12.15 crores to ₹18.13 crores.

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SWOT ANALYSIS

S

Strengths

- Established Reputation
- Strong Financial Performance
- Extensive Branch Network
- Innovative Technology Integration

W

Weaknesses

- Market Competition
- Loan Default Risks
- Dependence on External Factors

O

Opportunities

- Enhanced Customer Reach
- Digitalization and Tech Integration
- Market Demand for Quick Loans
- **Leveraging Gold as a Secure Asset**
- **Stabilizing Interest Rates**

T

Threats

- Intense Competition
- Market Volatility
- Impact of Climate Change

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SWOT ANALYSIS

Strengths of IFL Housing

Established Reputation

IFL Finance has built a strong reputation in the gold loan sector and housing loan sector, recognized for its commitment to customer satisfaction and reliable service. This reputation has fostered trust among customers, making IFL a preferred choice for gold loan.

Strong Financial Performance

IFL Finance demonstrates robust financial health, underpinned by consistent growth and operational efficiency. A notable indicator of this strength is the significant increase in Profit After Tax (PAT), which rose to ₹18.12 crore in FY 2024–25 from ₹12.15 crore in the previous fiscal year. The upward trajectory in ROA and net profit margin underscores the company's prudent financial management, enhanced profitability, and consistent earnings capability — strengthening investor confidence and laying a solid foundation for future growth.

Extensive Branch Network

With 77 branches located across the North India, IFL Finance ensures that customers can easily access services in both urban and rural areas. This extensive network enhances convenience and improves customer reach

Innovative Technology Integration

Embracing modern technology, IFL Finance offers online services for loan repayment, and customer support. This innovation ensures that customers can manage their loans conveniently, enhancing overall satisfaction.

Weakness

Market Competition

Intense competition from other gold loan companies and banks can pressure IFL Finance to innovate and enhance its offerings. Staying ahead of competitors requires ongoing investment in customer service and product development.

Loan Default Risks

Economic downturns can increase the risk of loan defaults. Developing robust credit assessment processes and monitoring systems is crucial to minimize this risk.

Dependence on External Factors

The performance of IFL Finance is closely tied to the broader economic environment, including interest rates and market trends. Any adverse changes in these factors can impact loan demand and portfolio performance.

Opportunity

Enhanced Customer Reach

With the growing acceptance of gold loans across various demographics, IFL Finance can target a wider audience, who value gold as a secure asset. This diversification can help increase market penetration.

Digitalization and Tech Integration

Investing in digital platforms for gold loan applications and approvals can streamline the process, improving efficiency and customer experience. Online accessibility can attract tech-savvy clients and those in remote areas, broadening the customer base.

Market Demand for Quick Loans

As consumers increasingly seek immediate financial solutions, gold loans offer a viable option. IFL Finance can position itself to meet this demand, particularly in times of economic uncertainty when individuals may need quick access to funds.

Leveraging Gold as a Secure Asset

Gold is often viewed as a stable investment. By promoting gold loans, IFL Finance can appeal to customers who prefer using their gold assets for financing rather than liquidating them, thereby preserving their wealth.

Stabilizing Interest Rates

Interest rates are stabilising now and going to create opportunities for financing business with higher spread. Stabilizing interest rates open doors for IFL Finance to offer attractive financing options to businesses at higher spreads.

Threats

Intense Competition

IFL Finance faces significant competition from established banks and other non-banking financial companies (NBFCs) that offer gold loans. This rivalry can lead to price wars and reduced profit margins, challenging IFL's market position.

Market Volatility

Fluctuations in gold prices can impact the demand for gold loans. A decline in gold prices may lead to increased loan defaults, affecting IFL Finance asset quality and overall financial stability.

RISK MANAGEMENT

Enterprise risk management of the company acknowledges that business encounters a variety of risks associated with changes and developments in the industry in which it operates. These risks are continuously evolving and can change in terms of their frequency of occurrence and the impact they have on the operations and profit-making ability of the Company. This compels IFL Finance Loan to remain focused on efficiently managing and mitigating these risks such that their impact does not hinder its sustainable growth. In addition to this, the Risk Management Committee plays a significant role in effective risk management by overseeing and extending guidance to implement effective mitigation strategies. The Company has a robust risk management framework to identify and mitigate risks. It enables IFL Finance Loan to efficiently handle threats and keep the Company insulated from internal as well as external risks.

HUMAN RESOURCES

IFL Finance has always believed its employees as its greatest asset and in pursuit of excellence, we continue to uphold our commitment to nurture and empower them. As we reflect on the past Financial Year, 2025, it is evident that our success is intrinsically linked to the quality and competence of our human capital. Building upon the foundation laid in the preceding years, IFL Finance Loan introduced strategic initiatives aimed at enhancing the well-being and professional growth of our employees. Notably among these initiatives are our efforts to support holistic well-being of our female employees and development of senior leadership team.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control over financial reporting is a structured process aimed at ensuring the reliability of financial reporting and the preparation of financial statements for external use in compliance with generally accepted accounting principles. This control framework encompasses policies and procedures meticulously designed to provide reasonable assurance.

(1) The Company ensures accurate and fair maintenance of records that detail transactions and asset dispositions.

(2) It provides reasonable assurance that transactions are recorded appropriately for the preparation of financial statements, and that expenditures align with authorised management and director directives.

(3) Provides a reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.
(4) The Company operates a robust internal audit program, led by an independent assurance function supported by specialist firms as needed. This internal audit conducts risk-based assessments, testing adherence to policies, and suggests process improvements. Audit activities are conducted according to a plan approved by the Audit Committee, with observations and recommendations reported to the committee for ongoing monitoring and remediation as necessary.

CAUTIONARY STATEMENT

This section contains forward looking statements regarding the Company's objectives, projections, expectations, and estimates. These statements are based on certain assumptions and expectations about future events, but the Company cannot guarantee their accuracy or realisation. Actual results may differ due to external factors beyond the Company's control. The Company assumes no responsibility to publicly update or revise any forward-looking statements based on subsequent developments.

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

sd/-
Gopal Bansal
Managing Director
(DIN: 01246420)

sd/-
Sunita Bansal
Director
(DIN: 02801660)

Date : 23.07.2025
Place : Delhi

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CORPORATE GOVERNANCE

As per Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Non-Banking Financial Company –Scale Based Regulation(Reserve Bank) Directions, 2023, the Company submits the following report:

BOARD OF DIRECTORS

The Board of IFL Finance Limited (Formerly known as IFL Housing Finance Limited)comprises of Six directors consisting of two Independent Directors (Non-Executive), One Non-Executive Director and one is Managing Director and another two is Whole time Directors.
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 as per the provisions of Companies Act, 2013.
- 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.



Name	Director Since	Capacity (i.e. Executive/Non Executive/Chairman/Promoter/ Nominee/ Independent	DIN	No. of Board Meetings		No. of other directorship	Remuneration (Rs. In Lakhs)			No. of Shares held in and convertible instruments held in the HFC
				Held	Attended		Salary and other Compensation	Sitting Fee	Commission	
Mr. Gopal Bansal	28.06.2017	Executive & Chairman	0124642O	35	35	2	29.3	-	-	7393428
Ms. Kriti Suri	07.08.2021	Executive	09258479	35	35	0	9.96	-	-	1480010
Mr. Ashish Bansal	07.08.2021	Executive	06607944	35	35	0	14.65	-	-	681201
Mrs. Sunita Bansal#	28.06.2017	Non-Executive	02801660	35	35	1	14.65	-	-	6942410
Mr. Amit Kumar Agarwal	08.07.2020	Independent Director	08768575	35	35	1	-	1.07	-	0
Mr. Devi Dass Agarwal	07.08.2021	Independent Director	09152596	35	35	3	-	0.92	-	0
Mr. Ramesh Bansal*	02.04.2021	Independent Director	09126805	35	19	1	-	0.5	-	0

Details of change in composition of the Board during the current and previous financial year

Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of Change	Effective Date
1	Mrs. Sunita Bansal#	Non-Executive Director	Change in Designation	28.10.2024
2	Mr. Ramesh Bansal*	Independent Director	Resignation	28.10.2024

- **Mr. Ramesh Bansal has resigned due to his personal reasons as cited by him.**

Relationship between Director inter-se

Name of Director	Category of Directorship	Relationship between Directors
Mr. Gopal Bansal	Executive	Husband of Mrs. Sunita Bansal
Mrs. Sunita Bansal	Non-Executive	Wife of Mr. Gopal Bansal

Meetings of the Board of Directors

During the year under review, the Board of Directors of the company met Thirty Fifth (35) times viz on 15.04.2024, 29.04.2024, 20.05.2024, 28.05.2024, 20.06.2024, 28.06.2024, 15.07.2024, 20.07.2024, 12.08.2024, 20.08.2024, 09.09.2024, 14.09.2024, 20.09.2024, 26.09.2024, 27.09.2024, 09.10.2024, 15.10.2024, 22.10.2024, 23.10.2024, 28.10.2024, 07.11.2024, 11.11.2024, 14.11.2024, 19.11.2024, 26.11.2024, 06.01.2025, 15.01.2025, 16.01.2025, 25.01.2025, 30.01.2025, 31.01.2025, 04.02.2025, 15.02.2025, 08.03.2025 and 25.03.2025.

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 excise 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 Asset Liability Management Committee.

STATUTORY COMMITTEES

Audit Committee

Terms of Reference:

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

1. Overseeing the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

2. 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.

3. Making recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.

4. 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.

5. 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.

6. 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 as at 31st March, 2025:-

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Amit Kumar Agarwal	28.08.2020	Chairman	4	4	-
2	Mr. Ramesh Bansal*	29.06.2021	Member	4	2	-

3	Mr. Gopal Bansal	03.08.2017	Member	4	4	7393428
4	Mr. Devi Dass Agarwal#	28.10.2024	Member	4	2	-

*Mr. Ramesh Bansal has resigned dated 28.10.2024.
Mr. Devi Dass Agarwal has joined the Audit Committee dated 28.10.2024

During the year, 4 (four) Audit Committee meetings were held as on 28.05.2024, 12.08.2024, 11.11.2024 and 31.01.2025 respectively.

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.

Meetings of the Nomination & Remuneration Committee and Attendance of the Members as at 31st March, 2025

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Amit Kumar Agarwal	07.08.2020	Chairman	3	3	-
2	Mr. Ramesh Bansal*	07.08.2021	Member	3	2	-
3	Mr. Sunita Bansal#	28.10.2024	Member	3	-	6942410
4	Mr. Devi Dass Agarwal	07.08.2021	Member	3	3	-

*Mr. Ramesh Bansal has resigned dated 28.10.2024.
Mrs. Sunita Bansal has joined the Nomination and Remuneration Committee dated 28.10.2024.

During the year, 3 (Three) Nomination & Remuneration Committee meetings was held as on 20.07.2024, 09.09.2024 and 28.10.2024.

RISK MANAGEMENT COMMITTEE

Terms of Reference

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.

Meetings of the Risk Management Committee and Attendance of the Members as at 31st March, 2025

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Gopal Bansal	31.03.2018	Chairman	4	4	7393428
2	Mr. Amit Kumar Agarwal	08.07.2020	Member	4	4	-
3	Mr. Ashish Bansal	27.08.2021	Member	4	4	-
4	Mrs. Prerna Matta Arora	01.11.2022	Member	4	4	-
5	Mr. Sanjay Kumar Mangal*	13.02.2024	Member	4	2	-

*Mr. Sanjay Kumar Mangal has been resigned dated 06.11.2024

During the year, 4 (Four) Risk Management Committee meetings were held as on 28.05.2024, 12.08.2024, 11.11.2024 and 31.01.2025 respectively

ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Terms of Reference

The Asset Liability Management Committee (ALCO) lays down policies and quantitative limits that involve assessment of various types of risks and shifts in assets and liabilities to manage such risks. The Company has duly implemented the NHB's Asset Liability Management (ALM) Guidelines applicable to HFCs.

The Board of Directors of the company has approved the ALM Policy & Framework and reviewed the same time to time. The ALCO Committee ensures that the liquidity and interest-rate risks are contained within the limits laid down by the NHB. As at March 31, 2025, your company had a strong asset-liability position with positive gaps across all the buckets. The ALCO apprises the board on Asset Liability management issues periodically.

As at 31st March, 2025, The Asset Liability Management Committee comprises of the following members:

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Gopal Bansal	26.03.2018	Chairman	4	4	7393428
2	Mr. Ashish Bansal	01.11.2022	Member	4	4	-
3	Mrs. Prerna Matta Arora	01.11.2022	Member	4	4	-

During the year, 4 (Four) Asset Liability Management Committee meetings were held as on 28.05.2024, 12.08.2024, 11.11.2024 and 31.01.2025 respectively.

OTHER COMMITTEES

IT STRATEGY COMMITTEE

Terms of Reference

as per the Master Directions on Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, doc vide RBI/2023-24/xx DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 to overseeing the effectiveness of the company's IT strategy planning, process and framework.
The Objective of the IT Strategy Committee of the Board of Directors ('the Board') of IFL Finance Limited ('the Company') is to assist the Board for effective IT Governance in the Company.

As at 31st March, 2025, The IT Strategy Committee comprises of the following members:

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Amit Kumar Agarwal	15.04.2024	Chairman	4	4	-
2	Mr. Devi Dass Agarwal	15.04.2024	Member	4	4	-
3	Mr. Gopal Bansal	15.04.2025	Member	4	4	7393428
4	Mr. Sunil Kumar	15.04.2025	Member	4	4	-

SPECIAL COMMITTEE TO MONITOR AND FOLLOW UP

Terms of Reference

The Committee shall oversee the effectiveness of the Company's fraud risk management framework and review cases of fraud, including conducting root cause analyses, to recommend mitigating measures for strengthening internal controls and minimising future occurrences. It shall monitor and review all fraud incidents to examine categories and trends.

As at 31st March, 2025, The Special Committee to monitor and follow up comprises of the following members:

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the HFC
				Held	Attended	
1	Mr. Amit Kumar Agarwal	28.10.2024	Chairman	2	2	-
2	Mr. Devi Dass Agarwal	28.10.2024	Member	2	2	-
3	Mr. Gopal Bansal	28.10.2024	Member	2	2	7393428

GENERAL BODY MEETING

ANNUAL GENERAL MEETINGS

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

FY	Date and Time	Location
2023-24	16.09.2024 at 10:30 A.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085
2022-23	20.06.2023 at 10:30 A.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085
2021-22	29.09.2022 at 04:30 P.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085

Disclosure as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

FY	Date and Time	Location	Special Resolutions Passed
2023-24	16.09.2024 at 10:30 A.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085	No

EXTRAORDINARY GENERAL MEETINGS

During the year under review, the Extraordinary General Meeting of the Members was held on Thursday 30th May 2024 for increase in authorised Share capital and held on Tuesday, 18th March, 2025 at 12:30 P.M for taking approval of the members of the company to change the name of the company and consequent amendment in Memorandum and Articles of Association.

During the year under review, no resolution was put through by Postal Ballot. Further, no special resolution is being proposed to be passed through Postal Ballot.

COMPLIANCE UNDER NON-COMPLIANCE REQUIREMENTS

Pursuant to provisions of Companies Act, 2013, the Company complied with all mandatory requirements.

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.

- There has been no instance of non-compliance by the Company on regulatory/statutory authorities. Hence the question of penalties or strictures being imposed by RBI does not arise.

- The Company is in compliance with all the mandatory requirements of the provisions of Companies Act, 2013 and has fulfilled the non- mandatory requirements;

- 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.

- **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.

- Related Party Disclosure as per **Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 are given below:**

Related Party / Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management@		Relatives of Key Management Personnel@		Others*		Total	
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Borrowings Taken	639	0	NA	NA	NA	NA	0	0	675.59	27	0	0	1314.59	27
Borrowings Repaid	639	0	NA	NA	NA	NA	0	0	675.59	27			1314.59	27
Deposits#	0	0	NA	NA	NA	NA	0	0	0	0	0	0	0	0
Placement of deposits#	0	0	NA	NA	NA	NA	0	0	0	0	0	0	0	0
Advances Given#	0	0	NA	NA	NA	NA	0	0	0	0	0	0	0	0
Investments#	0	0	NA	NA	NA	NA	0	0	0	0	0	0	0	0
Purchase of fixed/other assets	0	0	NA	NA	NA	NA	0	0	0	0	0	0	0	0

Sale of fixed/other assets	**0**	**0**	**NA**	**NA**	**NA**	**NA**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Interest paid	14.13	0	NA	NA	NA	NA	0	0	31.13	0.19	0	0	45.26	0.19
Others														
Rent Paid	0	0	NA	NA	NA	NA	9	9	0	0	9	9	18	18
Director Remuneration	0	0	NA	NA	NA	NA	68.56	46.88	0	0	0	0	68.56	46.88
Salary	0	0	NA	NA	NA	NA	31.07	71.15	0	0	0	0	31.07	71.15
Professional Charges	0	0	NA	NA	NA	NA	0	0	35.04	19.2	0	0	35.04	19.2
Commission on Corporate Guarantee	7.63	10.9	NA	NA	NA	NA	0	0	0	0	0	0	7.63	10.9
Allotment of equity shares	3484.5	0	NA	NA	NA	NA	0	0	0	0	0	0	3484.5	-

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

S. No.	Particulars of Remuneration	Name of MD/WTD			
		Gopal Bansal	Sunita Bansal*	Ashish Bansal	Kriti Suri	Total Amount (Rs. in lakhs)
1	Gross Salary (a)Salary as per provisions contained in section17(1) of the Income-taxAct,1961	29.30	8.54	14.65	9.96	62.45
	(b)Value of perquisites u/s17(2) of the Income-taxAct,1961	-	-	-	-	0
	(c)Profits in lieu of salary under section17(3)Income-taxAct,1961	-	-	-	-	0
2	Stock Option	-	-	-	-	0
3	Sweat Equity	-	-	-	-	0
4	Commission - as % of profit - others, specify...	-	-	-	-	0
5	Others, please specify	-	-	-	-	0
6	Total(A)	29.3	8.54	14.65	9.96	62.45

Details of Sitting Fees/Remuneration paid to Non-Executive Directors during the financial year 2024-2025

Name of the Director	Amount (Rs. In lakhs)
Mr. Ramesh Bansal* (Independent Director)	0.5
Mr. Devi Dass Agarwal (Independent Director)	0.92
Mr. Amit Kumar Agarwal (Independent Director)	1.07
Mrs. Sunita Bansal* (Non-Executive Director)	6.1

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 except as provided under Related Party Transactions. (Detailed RPT cover under Financial Statements).

Breach of Covenant

During the year under review, there are no instances of breach of covenant of loan availed or debt securities issued.

By Order of the Board of Directors
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

sd/-
Gopal Bansal
Managing Director
(DIN: 01246420)

sd/-
Sunita Bansal
Director
(DIN: 02801660)

Date : 23.07.2025
Place : Delhi

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FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Report on the Audit of the Standalone Financial statements
Opinion
We have audited the accompanying financial statements of IFL Finance Limited (Formerly known as IFL Housing Finance Limited) ("the Company"), which comprise the balance sheet as at 31st March 2025, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 Financial statements give the information required by 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 in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 financial statements.

Emphasis of matter

1. Attention is drawn to Note No 41 "The Company 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 applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

Our report is not qualified in respect of above matter.

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Report on Other Legal and Regulatory Requirements

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.

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the 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 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 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) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) 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
(3) 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.

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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

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

Sd/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 May, 2025

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone 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 is maintaining proper records showing full particulars of 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 title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of company;
e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both 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.

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 investment during the year and hence the terms and conditions are not prejudicial to the company's interest.
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 total amount overdue for more than ninety days is Rs. 221.97 lakhs and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;

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, guarantees, and securities covered under section 185 and 186 of the Companies Act, 2013.

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. 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 no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.

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, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;

b) The company has not been declared a willful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;

c) The term loan taken by the company were applied for the purpose for which they were obtained.

d) Short-term loans raised by the company have not been utilized for long-term purposes.

e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;

f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

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 has not made any preferential allotment or private placement of shares or convertible debentures during the year.

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 and the details have been properly disclosed in 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) In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.The company has made an application to the RBI for registration as NBFC. However till 31 March 2025 the registration certificate was awaited.
b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
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) with note no 41 of Notes to financial statements.

17) Cash Losses

The company has not incurred any cash loss in the financial year and in the immediately preceding financial year being audited.

18) Considerations of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

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 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

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

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. 090975
UDIN: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 May, 2025

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)** ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls 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, 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 31 March 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: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 May, 2025

BALANCE SHEET AS AT MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr.	Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS				
I	**Financial assets**			
	(a) Cash and cash equivalents	4a	1,135.59	217.74
	(b) Bank Balance other than Cash and cash equivalents	4b	393.88	893.88
	(c) Loans	5	32,981.60	27,712.68
	(d) Investments		-	-
	(e) Other financial assets	6	212.13	135.30
	Total Financial assets		**34,723.20**	**28,959.60**
II	**Non-financial assets**			
	(a) Deferred tax assets (net)	7	150.75	195.57
	(b) Property, plant and equipment	8	192.99	154.14
	(c) Right to use Asset	8	865.77	621.03
	(d) Investment Property	8	118.56	-
	(e) Intangible assets under development		-	-
	(f) Other intangible assets	8	97.47	92.90
	(g) Other non-financial assets	9	36.98	28.27
	Total Non-financial assets		**1,462.52**	**1,091.92**
	Total Assets		**36,185.72**	**30,051.51**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**Financial liabilities**			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	10	18,779.62	18,241.97
	(c) Lease Liability	11	993.09	712.28
	(d) Other financial liabilities	12	268.49	247.77
	Total Financial liabilities		**20,041.20**	**19,202.02**
II	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	13	95.85	101.51
	(b) Provisions	14	64.49	42.67
	(c) Deferred Tax Liabilities (Net)		-	-
	(d) Other non financial liabilities	15	9.88	1.70
	Total Non-financial liabilities		**170.22**	**145.89**
EQUITY				
	(a) Equity share capital	16	8,475.82	6,592.30
	(b) Other equity	17	7,498.48	4,111.31
	Total Equity		**15,974.30**	**10,703.61**
	Total Liabilities and Equity		**36,185.72**	**30,051.51**

Notes to the Ind AS financial statements 1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

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

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Sd/-
CA Varun Garg
Partner
Membership No. 523588

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Sd/-
Sunita Bansal
Director
DIN: 02801660

New Delhi, the 22nd day of May, 2025

UDIN; 25523588BMJMMR9556

Sd/-
Prerna Matta Arora
CFO
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr.	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
	Revenue from operations			
	(i) Interest Income	**18**	6,850.86	6,083.59
	(ii) Fees and Commission Income	**19**	213.15	195.49
	(iv) Net Gain on Fair Value Changes	**20**	-	11.97
	(iii) Other Income From Operations	**21**	47.17	42.46
I	**Total Revenue From Operations**		7,111.18	6,333.51
II	Other Income	**22**	25.90	44.03
III	**Total Income (I+II)**		**7,137.08**	**6,377.54**
	Expenses			
	Finance costs	**23**	2,532.85	2,326.37
	Impairment on Financial Instruments	**24**	-	48.79
	Employee benefits expenses	**25**	1,337.30	1,437.39
	Depreciation and amortisation expenses	**8**	257.74	208.58
	Other expenses	**26**	617.28	751.38
IV	**Total Expenses**		**4,745.17**	**4,772.51**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**2,391.91**	**1,605.02**
VI	Exceptional items		-	-
VII	**Profit/ (loss) before tax**		**2,391.91**	**1,605.02**
VIII	Less: Tax expense			
	Current tax	**27**	533.88	407.97
	Deferred tax (Net)	**27**	45.28	(18.09)
IX	**Net Profit/ (loss) after tax**		**1,812.75**	**1,215.15**
	Other Comprehensive Income			
	A. Items			
	-Remeasurements of Defined Benefit Obligation		(1.81)	0.83
	B. Income tax relating to items that will not be reclassified to profit or loss		0.46	(0.21)
X	**Total Other Comprehensive Income (A+B)**		**(1.35)**	**0.62**
XI	**Total Comprehensive Income (IX+X)**		**1,811.40**	**1,215.77**
XII	**Earning Per Equity Share (EPS)**			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	**28**	2.65	1.84
	Diluted (in Rs.)	**28**	2.65	1.84

The accompanying notes are an integral part of the financial statements.
As per our report of even date

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

Sd/-
CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN; 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Sd/-	Sd/-
Gopal Bansal	**Sunita Bansal**
Managing Director	Director
DIN: 01246420	DIN: 02801660
Sd/-	Sd/-
Prerna Matta Arora	**Shivani Jindal**
Chief Financial Officer	Company Secretary
PAN: BAMPM7263C	PAN: BSNPJ5687C

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars		For the year ended on March 31, 2025	For the year ended on March 31, 2024
(I)	**Cash flow from Operating Activities**		
	Profit before tax	2,391.91	1,605.03
	Adjustments for:		
	Impairment Loss on Financial instruments	(1.05)	48.79
	Prior Period Items	1.78	-
	Depreciation and amortisation expense	257.74	208.58
	Loss on Assets Written Off	-	-
	Re-measurements of Defined Benefit Obligation through OCI	(1.81)	0.83
	Gain on Fair value changes due to Fair Value through P&L- Realised	-	(11.97)
	Gain on Fair value changes due to Fair Value through P&L- Unrealised	-	-
	Interest income at amortised cost	(6,854.08)	(6,086.97)
	Fees and Commission Income	(213.15)	(195.49)
	Finance cost at amortised cost	2,532.85	2,326.37
	Cash inflow from Interest Income	6,431.56	5,793.11
	Cash inflow from Fees and Commission Income	307.38	434.91
	Cash outflow towards finance costs	(2,423.45)	(2,258.34)
	Cash generated from operation before working capital changes	**2,429.67**	**1,864.86**
	Working capital changes:		
	(Increase)/ decrease in trade receivables	-	-
	(Increase)/ decrease in loans	(4,998.37)	(2,851.19)
	(Increase)/ decrease in financial assets	(76.83)	73.49
	(Increase)/ decrease in non- financial assets	(8.71)	1.03
	Increase/ (decrease) in trade payables	-	-
	Increase/ (decrease) in other financial liabilities	104.90	(5.96)
	Increase/ (decrease) in provisions	21.82	11.00
	Increase/ (decrease) in non financial liabilities	8.18	0.00
		(2,519.34)	(906.77)
	Income Tax paid (Net of refunds)	(539.54)	(393.27)
	Net cash flow from operating activities (I)	**(3,058.88)**	**(1,300.05)**
(II)	**Cash flow from Investing Activities**		
	Increase in Bank Balance other than Cash & Cash Equivalents	500.00	(111.40)
	Sale/ (Purchase) of Property, plant & equipment	(264.76)	(82.79)
	Sale/ (Purchase) of investments	-	100.00
	Gain on sale of Investment at FVTPL	-	12.47
	Interest Earned on Fixed Deposits	58.79	84.51
	Net cash flow from investing activities (II)	**294.03**	**2.79**
(III)	**Cash flow from Financing Activities**		
	Net proceeds from issue of equity share capital	3,457.51	-
	Net proceeds from borrowings	512.44	1,290.31
	Interest expense on lease liabilities	(84.17)	(63.58)
	Lease Rentals Paid	(203.07)	(149.63)
	Net cash flow from financing activities (III)	**3,682.70**	**1,077.09**
Net increase/(decrease) in cash and cash equivalents (I + II + III)		917.85	(220.17)
Cash and Cash Equivalents at the beginning of the year		217.74	437.91
Cash and Cash Equivalents at the end of the year (Note 4a)		**1,135.59**	**217.74**

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

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

Sd/-
CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025
UDIN; 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Sd/-	Sd/-
Gopal Bansal	**Sunita Bansal**
Managing Director	Director
DIN: 01246420	DIN: 02801660
Sd/-	Sd/-
Prerna Matta Arora	**Shivani Jindal**
Chief Financial Officer	Company Secretary
PAN: BAMPM7263C	PAN: BSNPJ5687C

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

(Rs. in lakhs, except for share data and unless otherwise stated)

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2023	6,59,23,000	6,592.30
Shares allotted through right issue during the year	-	-
As at March 31, 2024	6,59,23,000	6,592.30
Shares allotted through right issue during the year #	1,88,35,164	1,883.52
As at March 31, 2025	8,47,58,164	8,475.82

b. Other Equity

Statement of Changes in Other Equity for the Year ended March 31, 2025

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2024	653.69	1,021.19	2,439.38	(2.95)	4,111.31
Changes in accounting policy/Prior Period Errors	-	-	1.78	-	1.78
Equity Shares issued during the year	-	1,600.99	-	-	1,600.99
Profit For the Year	-	-	1,812.75	-	1,812.75
Expenses for Issuance of Shares		(27.00)	-	-	(27.00)
Total Comprehensive Income for the year	-	-	-	(1.35)	(1.35)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	362.55	-	(362.55)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2025	**1,016.24**	**2,595.18**	**3,891.36**	**(4.30)**	**7,498.48**

During the year the company has allotted 188,35,164 equity shares of Rs. 10/- each issued on Right Issue basis, at issued price of Rs. 18.50/- each share (including a premium of Rs. 8.50/- each) to the applicants from whom the Company has received the share application money through direct application or through renounces aggregating and alloted the shares as per Book Value of shares method at time of alottment.

Statement of Changes in Other Equity for the year ended March 31, 2024

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	1,215.15	-	1,215.15
Total Comprehensive Income for the year	-	-	-	0.62	0.62
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	243.03	-	(243.03)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2024	**653.69**	**1,021.19**	**2,439.38**	**(2.95)**	**4,111.31**

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

Sd/-
CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025
UDIN; 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Sd/-
Sunita Bansal
Director
DIN: 02801660

Sd/-
Prerna Matta Arora
CFO
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

1. Corporate Information:

IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED) (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013. Initially focused on Home Loans and Loan against Property (LAP), the company expanded its portfolio in December 2020 to include Gold Loans. Gold Loan product, being a safe, liquid and highly marketable product, has promising prospects and thus since April 2024, the company has realigned its focus to concentrate predominantly on the gold loan business. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable. These financial statements are duly approved by the Board of Directors on 22nd May 2025.

(b) Presentation of financial statements:

(i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.

(ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

(iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities

which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3F)
- Effective interest rate (EIR) [Refer note no. 3F)
- Impairment of financial assets [Refer note no. 3F)
- Provisions and contingent liabilities (Refer note no. 3I)
- Provision for tax expenses (Refer 3G)
- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3A)

During the year the Management have made a few changes in accounting estimates with respect to:

- ECL
- Proportionate interest
- Useful life of Intangible Asset

The impact of the change in accounting estimate is not material, hence no disclosure for the same is being presented.

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend / adopt the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Company has reviewed amendments to be 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.

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.

3. Summary of Material accounting policies:

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

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. 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 & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15
Building	60

*Taken at 10 years in case of those assets where management thinks fit.

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.

B. Intangible assets and amortisation thereof:

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

C. Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(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 incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation

(ii) Dividend**:**

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.

(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.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

D. Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.C.(i)].

(ii) 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.

E. Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

F. Financial instruments:

A financial instrument is defined as a contract that gives rise to a financial

asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(i) Financial Assets:

Initial measurement and Recognition:

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 and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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.

(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, commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is 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.

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 liabilities 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.

(iii) Offsetting 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.

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Loan-to-Value (LTV), Age Group, CIBIL, FOIR and Mortgage type in case of Housing Loan / LAP segment and Branch LTV/Audit LTV, Market LTV and DPD in case of Gold Loan segment, considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.
The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit

risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

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

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI, whichever is higher.

G. Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. 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 item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

H. Employee benefits:

(i) Short term employee benefits:

(a) 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.

(b) 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.

(ii) Post-Employment Benefits:

- Defined Contribution Plan

(a) 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

(b) 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

(a) 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. Further Junior Collection Staff employed in the states of Rajasthan and Madhya Pradesh have been excluded in calculation of actuarial valuation of Gratuity as their tenure of employment is less than 5 years.

(b) 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.

I. Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as “Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

J. Earnings per share (EPS):

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.

K. Cash & 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.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash in hand	462.09	187.67
Balance with banks:		
-In current accounts	673.50	30.07
-Remittance in Transit	-	-
In Other Deposit Accounts		
-In fixed deposits (maturities upto 3 months)	-	-
Total	**1,135.59**	**217.74**

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposit with bank (maturities more than 3 months)	-	-
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))		
-In fixed deposits (maturities upto 3 months)	64.38	5.00
-In fixed deposits (maturities more than 3 months)	329.50	888.88
Total	**393.88**	**893.88**

4.(b).(i) Fixed Deposit with bank under Lien

a.Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
b.Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. 50 Lakhs) against which Bank Guarantee is being given to NHB for loan.
c. Fixed deposits of Rs. 31.88 Lakhs (P.Y.Rs. 31.88 Lakhs)against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
d.Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. 30 Lakhs) against which Bank Guarantee is being given to DCB for loan.
e.Fixed deposits of Rs. 10 Lakhs (P.Y. Rs. 510.00 Lakhs) against which Overdraft limit from AU Bank.
f. Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from Federal Bank.
g.Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from City Union Bank.
h. Fixed deposits of Rs 150 Lakhs (P.Y Rs 150 Lakhs) against Overdraft Facility from ICICI Bank.
i. Fixed deposits of Rs. 20 Lakhs (P.Y Rs 20 Lakhs) against which Bank Gurantee is being given to Bandhan Bank.

5. Loans

At Amortised Cost

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Term Loans		
Housing loans	11,314.25	15,065.02
Loan Against Property	811.91	1,276.22
Loan Against Shares	-	-
Loan Against Gold Jewellery	21,052.11	11,569.16
Total Gross (A) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (A) (II)	**32,981.60**	**27,712.68**
(B) (i) Secured by Tangible Assets	33,178.27	27,910.40
(ii) Secured by Intangible Assets	-	-
(ii) Unsecured	-	-
Total Gross (B) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (B) (II)	**32,981.60**	**27,712.68**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	33,178.27	27,910.40
Total Gross (C) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (C) (II)	**32,981.60**	**27,712.68**
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	**-**	**-**
Total Net (C) (II) and (III)	**32,981.60**	**27,712.68**

5.1 Loans granted to promotors, Directors, KMPS and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

6. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit- Unsecured; Considered Good	57.54	46.50
Accrued interest		
-on FD	43.71	35.82
-on others	1.75	1.21
Balances with Govt Authorities	-	0.20
Cash Collateral (Deposits)	20.63	35.63
Others	88.50	15.94
Total	**212.13**	**135.30**

7. Deferred tax assets/(Liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance of Deferred Tax Asset	195.57	177.69
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	(45.28)	18.09
b. Changes in deferred tax recorded in other comprehensive Income	0.46	(0.21)
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	**150.75**	**195.57**

7.1 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.70	0.53
Disallowances u/s 40A of the Income Tax Act, 1961	4.79	2.24
Impairment on financial instruments	-	(0.17)
Depreciation and amortisation expenses	7.76	3.86
Financial Instrument (Loans) measured at EIR	(67.83)	7.57
Financial Instrument (Borrowings) measured at EIR	6.35	1.12
Lease Liability Impact	0.33	(1.53)
Special Reserve Created u/s 36(1)(viii)	2.62	4.34
Unrealised net gain/loss on fair value changes	-	0.13
Deferred Tax Assets	**(45.28)**	**18.09**

7.2 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	0.46	(0.21)
Deferred Tax Assets	**0.46**	**(0.21)**

7.3 Deferred tax asset is recognized 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 utilized.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

8. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2025:

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2024	Addition	Deduction/Sale	As at March 31, 2025	As at April 01, 2024	For the Year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
A. Property, Plant and Equipment									
Furniture and fixtures	157.65	63.97	0.33	221.29	72.33	32.50	104.83	116.45	85.32
Vehicles	31.01	24.60	23.93	31.68	17.81	4.71	22.52	9.16	13.20
Office Equipments	88.35	37.16	0.19	125.32	57.25	19.82	77.07	48.26	31.11
Computers	102.49	4.88	-	107.37	88.88	8.31	97.19	10.18	13.61
Plant and Machinery	17.66	-	-	17.66	6.75	1.97	8.72	8.94	10.91
Sub Total	**397.16**	**130.61**	**24.45**	**503.32**	**243.02**	**67.31**	**310.33**	**192.99**	**154.15**
Previous Year	342.75	54.41	-	397.16	183.07	59.95	243.02	154.14	159.69
B. Right of use Assets									
Office Premises (Right of Use asset)	973.71	399.71	-	1,373.42	352.68	154.98	507.66	865.77	621.03
Sub Total	**973.71**	**399.71**	**-**	**1,373.42**	**352.68**	**154.98**	**507.66**	**865.77**	**621.03**
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	208.43	34.94	-	243.36	115.55	30.34	145.89	97.47	92.90
Sub Total	**208.43**	**34.94**	**-**	**243.36**	**115.55**	**30.34**	**145.89**	**97.47**	**92.90**
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
d. Investment Property									
Residential Flat	-	123.66	-	123.66	-	5.10	5.10	118.56	-
Sub Total	**-**	**123.66**	**-**	**123.66**	**-**	**5.10**	**5.10**	**118.56**	**-**
Previous Year	-	-	-	-	-	-	-	-	-

(Rs. in lakhs, except for share data and unless otherwise stated)

(i) Amount recognised in profit and loss for investment properties

Particulars	31-Mar-25	31-Mar-24
Rental income	5.50	-
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	5.10	-
Profit after depreciation	**10.60**	**-**

(ii) Fair Value of investment properties

Particulars	31-03-2025	31-03-2024
Fair value	118.56	-
Total	**118.56**	**-**

(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	6.00	-
Later than 1 year but not later than 3 years	7.10	-
Total	**13.10**	**-**

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.

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2024

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2023	Addition	Deduction/Sale	As at March 31, 2024	As at April 01, 2023	For the Year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
A. Property, Plant and Equipment									
Furniture and fixtures	130.48	27.17	-	157.65	49.85	22.48	72.33	85.31	80.63
Vehicles	19.95	11.06	-	31.01	15.06	2.75	17.81	13.20	4.89
Office Equipments	79.54	8.81	-	88.35	42.28	14.97	57.25	31.11	37.27
Computers	95.12	7.37	-	102.49	71.55	17.33	88.88	13.61	23.57
Plant and Machinery	17.66	-	-	17.66	4.33	2.42	6.75	10.91	13.33
Sub Total	**342.75**	**54.41**	**-**	**397.16**	**183.07**	**59.95**	**243.02**	**154.14**	**159.69**
Previous Year	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69	189.78
B. Right of use Assets									
Office Premises (Right of Use asset)	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03	679.98
Sub Total	**817.86**	**93.97**	**-**	**911.84**	**110.85**	**121.00**	**231.86**	**679.98**	**707.01**
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90	92.32
Sub Total	**130.57**	**49.50**	**-**	**180.06**	**56.04**	**31.69**	**87.73**	**92.33**	**74.52**
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52

Notes

8.1 All the above property, plant & equipment are owned by the company unless specified otherwise.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

9. Other non- financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Statutory Authorities	8.99	0.44
Prepaid expenses	27.99	27.83
Total	**36.98**	**28.27**

10. Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	4,212.89	5,139.02
- From Other Non-Banking Financial Companies	11,256.53	8,725.81
- From National Housing Bank	347.17	627.92
Overdraft:		
- From Banks	716.18	2,003.58
Total	**16,532.77**	**16,496.33**
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	2,246.85	1,745.64
- From Related Parties	-	-
- From Other Parties	-	-
Total	**2,246.85**	**1,745.64**
Out of Above:		
In India	**18,779.62**	**18,241.97**
Outside India	**-**	**-**

10.1 Nature of Security

a Term Loans from Banks are secured against hypothecation of present / future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.

b Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.

c The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present / future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.

d Overdraft Facility from Federal Bank, CUB and CSB is against pledge of customers' gold with maximum margin of 25% and Overdraft facility from ICICI Bank is DLOD with security cover of 1.25 times maintained through receivables. Corporate guarantee of holding company and personal guarantee of MD/Directors is given in these Overdraft facilities. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank & Federal Bank and Rs 1.5 Crore with ICICI Bank.

e Quarterly Returns filed with NHB are in agreement with the books of accounts.

f The company has duly filed Registration of charges and Satisfaction of charges with Registrar Of Companies.

g The company has taken unsecured loan from a Non- Banking Financial Company which is repayable on demand.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

10.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2025

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,558.81	1,976.73	677.36	-	4,212.89
ROI 10.85%-15.00%					
From National Housing Bank (NHB)	347.17	-	-	-	347.17
ROI 8.7%-8.8%					
From Non-Banking Financial Companies	5,310.13	5,536.70	409.71	-	11,256.53
ROI 11.60%-14%					
Overdraft:					
From Banks	716.18	-	-	-	716.18
ROI 9.50%-10.75%					
Total Secured	**7,932.29**	**7,513.42**	**1,087.07**	**-**	**16,532.77**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	2,246.85	-	-	2,246.85
ROI 12.00%					
Total Unsecured	**-**	**2,246.85**	**-**	**-**	**2,246.85**
Total	**7,932.29**	**9,760.27**	**1,087.07**	**-**	**18,779.62**
EIR Impact					**125.69**
Total					**18,905.31**

Terms of Repayment of Term Loans and Debentures as at March 31, 2024

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,597.98	2,447.02	832.43	261.58	5,139.01
ROI 10.65%-15.00%					
From National Housing Bank (NHB)	254.49	204.73	102.64	66.06	627.92
ROI 8.25%-8.35%					
From Non-Banking Financial Companies	3,395.66	4,781.65	548.51	-	8,725.82
ROI 11.60%-14.50%					
Overdraft:					
From Banks	2,003.58	-	-	-	2,003.58
ROI 9.50%-12.10%					
Total Secured	**7,251.71**	**7,433.40**	**1,483.58**	**327.64**	**16,496.33**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	1,745.64	-	-	1,745.64
ROI 12.00%					
Total Unsecured	**-**	**1,745.64**	**-**	**-**	**1,745.64**
Total	**7,251.71**	**9,179.04**	**1,483.58**	**327.64**	**18,241.97**
EIR Impact					**150.92**
Total					**18,392.89**

10.3 The company has not been declared wilful defaulters by any bank or financial institution or other lenders.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

11. Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability* (Note 11.a)	993.09	712.28
Total	**993.09**	**712.28**

***Disclosed as required by Ind AS 116 - Leases as state below**

a. Lease Liability Movement

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	712.28	741.36
Add:		
Addition during the year	399.71	101.55
Interest on lease Liability	84.17	63.59
Less:		
Derecognised during the year	-	(44.59)
Lease Rental Payments	(203.07)	(149.63)
Balance as at the end of the year	**993.09**	**712.28**

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Less than One year	0.85	4.56
One to five Year	228.35	110.12
More than five Year	763.90	597.60
Total	**993.09**	**712.28**

12. Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest Accrued But Not Due on Borrowings	89.84	76.70
Expenses payable	126.63	128.88
Payable to Statutory Authorities	47.45	36.45
Other Payables	4.57	5.74
Total	**268.49**	**247.77**

13. Current Tax Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Provision	533.88	407.97
Less: Advance tax and Tax deducted at source	438.03	306.46
Total	**95.85**	**101.51**

14. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
-Gratuity	55.03	36.01
-Leave Encashment	9.46	6.66
Total	**64.49**	**42.67**

15. Other non financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Interest Received on Loans	9.88	1.70
Total	**9.88**	**1.70**

16. Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	100,000,000	10,000.00	70,000,000	7,000.00
Issued, subscribed and fully paid- up shares	**84,758,164**	**8,475.82**	**65,923,000**	**6,592.30**

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	65,923,000	6,592.30	65,923,000	6,592.30
- Issued during the year (Right Issue)	18,835,164	1,883.52	-	-
Total Outstanding at the end of the period	**84,758,164**	**8,475.82**	**65,923,000**	**6,592.30**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be 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.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%

16.4 Details of shareholders holding more than 5% shares in the Company: -

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal	7,393,428	8.72%	7,393,460	11.22%
Mrs. Sunita Bansal	6,942,410	8.19%	6,942,410	10.53%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16.5 Details of shareholding held by promoters in the Company: -

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal #	7,393,428	8.72%	7,393,460	11.22%
Ms. Sunita Bansal #	6,942,410	8.19%	6,942,410	10.53%
M/s Gopal Bansal (Huf) *	2,007,734	2.37%	2,007,734	3.05%
Mr. Virender Kumar Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Santosh Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Kriti Suri #	1,480,010	1.75%	1,480,010	2.25%
Mr. Ashish Bansal #	681,201	0.80%	681,201	1.03%
Ms. Nirmala Devi $	681,201	0.80%	681,201	1.03%
Mr. Naresh Kumar Bansal $	681,201	0.80%	681,201	1.03%
Ms. Charu Bansal $	681,201	0.80%	681,201	1.03%
M/s Arvind Kumar Bansal (Huf) *	209,990	0.25%	209,990	0.32%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%
Mrs. Nidhi Bansal*	10	0.00%	-	-
Mrs. Ganga Devi Bansal*	10	0.00%	-	-
Mrs. Renu Bansal*	10	0.00%	-	-

* Relatives of Promoter Mr. Gopal Bansal

having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.

$ Relatives of Promoter Mr. Ashish Bansal

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

17. Other Equity

Particulars	As at March 31, 2025		As at March 31, 2024	
Statutory Reserve				
(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	653.69		410.66	
Add: Transferred during the year	362.55		243.03	
Net Balance of Special Reserve		1,016.24		653.69
Securities Premium				
Opening balance	1,021.19		1,021.19	
Add: addition/(deletion) during the year	1,573.99		-	
Closing balance		2,595.18		1,021.19
Retained earnings				
Opening balance	2,439.38		1,467.26	
Add: Profit/(loss) for the year	1,812.75		1,215.15	
Less: Appropriation to Statutory reserve	(362.55)		(243.03)	
Closing balance		3,889.58		2,439.38
Equity instruments through other comprehensive income				
Opening balance	(2.95)		(3.57)	
Add: addition/(deletion) during the year	(1.35)		0.62	
Closing balance		(4.30)		(2.95)
Total		**7,496.70**		**4,111.31**

17.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
On financial assets measured at amortised cost		
- on loans	6,792.07	5,999.08
- Interest on Deposits with Banks	58.79	84.51
Total	**6,850.86**	**6,083.60**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

19. Fees and Commission Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fees and Other Charges	213.15	195.49
Total	**213.15**	**195.49**

20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial insturments designated through profit & loss	-	11.97
	-	11.97
(B) Others	-	-
Net gain on fair value changes	**-**	**24.47**
Fair Value Changes:		
- Realised	-	11.97
- Unrealised	-	-
Net gain on fair value changes	**-**	**11.97**

21. Other Income From Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Income From Operation	47.17	42.46
Total	**47.17**	**42.46**

22. Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Interest Income	3.22	3.38
Advertisement Income	2.85	34.05
Other Misc. Income	19.83	6.60
Total	**25.90**	**44.03**

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

23. Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial liabilities measured at amortised cost		
- Interest on borrowings	2,420.42	2,248.51
- Interest expense on lease liabilities	84.17	63.58
- Bank Charges	28.26	14.28
Total	**2,532.85**	**2,326.37**

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On Financials Instruments measured at amortised Cost		
- Loans	-	48.79
Total	**-**	**48.79**

25. Employee benefits expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and Wages	1,155.29	1,263.02
Contribution to Provident and Other Funds	59.56	83.66
Staff Welfare Expenses	16.33	23.80
Other Benefits	106.12	66.90
Total	**1,337.30**	**1,437.39**

26. Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement expenses	18.90	11.92
Bad Debts written off	3.56	-
Payments to Auditors	3.05	2.18
Insurance Expense		
- Car Insurance	0.14	0.16
- Office Insurance	35.84	29.59
Commission expenses	0.47	1.12
Conveyance expenses	42.36	122.12
Communication Expense	5.80	10.22
Director's Sitting Fees	2.72	1.72
Documentation & stamp charges	13.61	1.77
Document Handling & Storage Expense	6.56	6.52
Donations		
- for Corporate Social Responsibility	15.47	15.01
Fee & subscriptions	42.80	33.80
Interest on government dues	16.89	0.07
Legal & technical charges	20.99	41.60
Professional charges	128.41	125.26
Business Development Expenses	0.72	72.89
Debt Syndication Charges	12.50	20.00
Printing & Stationery	11.27	14.50
Power & Fuel	31.82	25.48
Postage & Courier	3.15	7.95
Rent expenses	55.20	50.77
Repair & Maintenance		
- Office Repair & Maintenance	23.08	41.11
- Vehicle Repair & Maintenance	0.28	0.63
- Computer Repair & Maintenance	-	0.17
Software expenses	44.11	41.95
Server Maintenance Charges	19.79	6.97
Tour & travelling expenses	6.81	2.99
Other expenses	50.98	62.91
Total	**617.28**	**751.38**

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
- for statutory audit	1.64	1.36
- for tax audit	0.55	0.44
- for certification fees	0.86	0.38
Total	**3.05**	**2.18**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

26.2 Corporate Social Responsibility Expense (CSR)

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:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For Corporate Social Responsibility	15.47	15.01
Total	**15.47**	**15.01**

26.2.1

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	18.44	12.01
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	3.00	-
d) Amount of Expenditure incurred during the year	15.47	15.01
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 *	0.03	3.00
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, animal welfare, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	533.88	407.96
Adjustment in respect of current income tax of prior years	-	-
Deferred Tax		
Deferred Tax Charge	45.28	(18.09)
Adjustment in respect of prior Year	-	-
Income tax expense reported in Statement of Profit and Loss	**579.16**	**389.87**

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is, as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	2,391.91	1,605.03
At India's statutory income tax rate of 25.168% (2021: 25.168%)	602.00	403.96
Reconciling Items		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	5.00	7.61
Corporate Social Responsibility and Others	17.84	8.33
Income tax expense reported in the Statement of Profit and Loss	**579.16**	**419.90**

28. Earnings per Equity share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit attributable to ordinary equity holders	1,812.75	1,215.27
Weighted average number of equity shares for basic earnings per share	685.16	659.23
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	685.16	659.23
Earnings per equity share:		
Basic earnings per share (Rs.)	**2.65**	**1.84**
Diluted earnings per share (Rs.)	**2.65**	**1.84**

29. Special reserve:

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. The company created Special Reserve of Rs. 19.85 Lakhs 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 and addition Special Reserve of Rs. 342.70 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:

(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. 58.99 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. 12.96 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

a. 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

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Present value of obligation at the end	55.03	36.01

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Service Cost	14.62	9.67
Net Interest Cost	2.59	1.99
Total expense recognised in the employee benefit expense	17.21	11.66

Details of changes in present value of defined benefit obligations as follows:

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Present value of obligation as at the beginning of the year	36.01	27.09
Service cost	14.62	9.67
Net Interest Cost	2.59	1.99
Re-measurements	3.61	(0.82)
Benefit paid	(1.80)	(1.92)
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	**55.03**	**36.01**

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%	100%

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.

b. 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. 9.45 Lakhs.

Expense recognised in the Balance Sheet

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Total Employer Expense	4.81	2.10

Balance Sheet Position as on valuation date

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Net asset/(liability) recognised in balance sheet	(9.45)	(5.88)

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	**As at March 31, 2025**			**As at March 31, 2024**		
	Within 12 Months	**After 12 Months**	**Total**	**Within 12 Months**	**After 12 Months**	**Total**
Financial assets						
(a) Cash and cash equivalents	1135.59	-	1135.59	217.74	-	217.74
(b) Bank Balance other Cash	269.13	124.75	393.88	680.75	213.13	893.88

and cash equivalents						
(c) Loans*	23,730.78	9,250.82	32,981.60	14,291.91	13,420.77	27,712.68
(d) Investments	-	-	-	-	-	-
(e) Other financial assets	147.04	65.09	212.13	60.90	74.40	135.30
Total Financial assets	**25282.54**	**9440.66**	**34723.20**	**15,251.29**	**13,708.31**	**28,959.60**
Non-financial assets						
(a) Deferred tax assets (net)	-	150.75	150.75	-	195.57	195.57
(b) Property, plant and equipment	-	192.99	192.99	-	154.14	154.14
(c) Right to use Asset	-	865.77	865.77	-	621.03	621.03
(d) Investment Property	-	118.56	118.56	-	-	-
(d)Intangible assets under development	-	-	-	-	-	-
(e) Other intangible assets	-	97.47	97.47	-	92.90	92.90
(f) Other non-financial assets	8.99	27.99	36.98	0.44	27.83	28.27
Total Non-financial assets	**8.99**	**1,453.53**	**1,462.52**	**0.44**	**1,091.47**	**1,091.91**
Total Assets	**25,291.53**	**10,894.19**	**36,185.72**	**15,251.73**	**14,799.78**	**30,051.51**

*Provision is netting off based upon maturity date of loans.

(Rs. in lakhs)

Particulars	**As at March 31, 2025**			**As at March 31, 2024**		
	Within 12 Months	**After 12 Months**	**Total**	**Within 12 Months**	**After 12 Months**	**Total**
Financial liabilities						

(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Borrowings (other than debt securities)	7,932.28	10,847.34	18,779.62	7,251.71	10,990.26	18,241.97
(c) Other financial liabilities	268.49	993.09	1,261.58	247.77	712.28	9,60.05
Total Financial liabilities	**8,200.77**	**11,840.43**	**20,041.20**	**7,499.48**	**11,702.54**	**19,202.02**
Non-financial liabilities						
(a) Current tax liabilities (net)	95.85	-	95.85	101.51	-	101.51
(b) Provisions	9.46	55.03	64.48	6.66	36.01	42.67
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non-financial liabilities	-	9.88	9.88	-	1.70	1.70
Total Non-financial liabilities	**105.31**	**64.91**	**170.21**	**108.17**	**37.71**	**145.88**
(a) Equity share capital	-	8,475.82	8,475.82	-	6,592.30	6,592.30
(b) Other equity	-	7,498.48	7,498.48	-	4,111.31	4,111.31

Total Equity	**-**	**15,974.30**	**15,974.30**	**-**	**10,703.61**	**10,703.61**
Total Liabilities and Equity	**8306.08**	**27879.64**	**36,185.72**	**7,607.65**	**22,443.86**	**30,051.51**

32. Contingent liabilities and commitments:

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2025	As at March 31, 2024
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	**NIL**	**128.59**
	-Towards sanction pending disbursement	NIL	56.82
	-Towards part disbursement	NIl	71.77
(V)	Pending capital commitment	-	-

33. Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Tier I capital	14,860.31	10,703.61

Tier II capital	2,353.65	1823.91
Total capital (Tier I + Tier II)	**17,213.96**	**11,618.02**
Adjusted value of funded risk assets i.e. On Balance Sheet Item	26,173.87	18,420.85
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	0.00	64.29
Total Risk weighted assets	**26,173.87**	**18,485.15**
Tier I capital ratio	56.78%	52.98%
Tier II capital ratio	8.99%	9.87%
Total capital ratio	**65.77%**	**62.85%**

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2025 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss

	Level-1	Level-2	Level-3	Total
Investments-FVTPL	-	-	-	-

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments-FVTPL	-	-	-	-

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss: For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2025	AS AT MARCH 31, 2024	AS AT MARCH 31, 2025	AS AT MARCH 31, 2024
Financial assets					
Cash and cash equivalents	1	1,135.59	217.74	1,135.59	217.74
Bank Balance other Cash and cash equivalents	1	393.88	893.88	393.88	893.88
Loans	3	32,981.60	27,712.68	32,981.60	27,712.68
Other financial assets	3	212.13	135.30	212.13	135.30
Financial assets		**34,723.20**	**28,959.60**	**34,723.20**	**28,959.60**
Financial liabilities					

Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	-	-	-	-
Borrowings (other than debt securities)	3	18,779.62	18,241.97	18,779.62	18,241.97
Other financial liabilities	3	1,261.58	960.05	1,261.58	960.05
Financial liabilities		**20,041.20**	**19,202.02**	**20,041.20**	**19,202.02**

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
b) Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at March 31, 2025:

(Rs. in lakhs)

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Gross Carrying Value	28,614.86	4,341.44	221.98
Allowance for ECL	106.80	19.21	70.67
ECL Coverage Ratio (%)	**0.37%**	**0.44%**	**31.84%**

As at March 31, 2024:

(Rs. in lakhs)

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Gross Carrying Value	23,238.89	4,356.59	314.92
Allowance for ECL	78.27	20.87	98.58
ECL Coverage Ratio (%)	**0.34%**	**0.48%**	**31.30%**

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Impairment Loss Allowance as at March 31, 2024	78.27	20.87	98.58
New Addition/Reduction during the year	28.53	(1.66)	(27.91)
Impairment Loss Allowance as at March 31, 2025	**106.80**	**19.21**	**70.67**

Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on

opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2025 are as under:-

(Rs. in lakhs)

Particulars	Up to 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	1,135.59	-	-	-	-	-	-	-	1,135.59
Bank Balance other than Cash and cash equivalents	15.01	5.00	50.00	8.75	189.37	125.75	-	-	393.88
Loans	921.73	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-

Other financial assets	80.28	0.35	2.66	24.82	38.93	7.55	0.00	57.54	212.13
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	623.82	609.59	600.21	1796.42	4302.24	9760.27	1087.07	0.00	18,779.62
Other financial	26	-	-	-	-	-	-	993.09	1261.58

liabilities	8.49								

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	217.74	-	-	-	-	-	-	-	217.74
Bank Balance other than Cash and cash equivalents	-	5.00	-	119.13	556.63	213.13	-	-	893.88
Loans	873.37	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	2.69	0.91	3.38	37.66	16.26	27.90	-	46.50	135.30
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterpr	-	-	-	-	-	-	-	-	-

ises and small enterprises									
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	424.57	436.75	439.29	1,425.62	4,525.48	9,179.04	1,483.58	327.64	18,241.97
Other financial liabilities	235.60	2.23	-	9.94	-	-	-	712.28	960.05

C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at

fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	**As at March 31, 2025**	**As at March 31, 2024**
On Floating Rate Borrowings		
1% increase in interest rate	157.43	172.38
1% decrease in interest rate	(157.43)	(172.38)
On Floating Rate Loans and Advances		
1% increase in interest rate	12.54	15.96
1% decrease in interest rate	(12.54)	(15.96)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access,

authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	**As at March 31, 2025**	**As at March 31, 2024**
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

37.Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO) Ms. Shivani Jindal (Company Secretary)* Ms. Varsha Bharti (Company Secretary)**
(iii)	Relatives of Key Management Personnel	Mrs. Sunita Bansal(Director)*** Ms. Ganga Devi Bansal Ms. Santosh Bansal Mr. Virender Kumar Bansal Mr. Arvind Kumar Bansal Ms. Nidhi Bansal Ms. Charu Bansal Ms. Geetanjali Bansal Mrs. Renu Bansal
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Gopal Bansal HUF M/s Arvind Kumar Bansal HUF
(v)	Others	Mr. Jasvinder Singh Mrs. Anu Kaur

* appointed w.e.f 09.09.2024
** resigned w.e.f 13.07.2024
*** Change in designation from Whole-time Director to Non-Executive Director w.e.f. 28.10.2024

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure": -

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2025	31/03/2024	31/03/2025	31/03/2024
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	20.51	20.06	NIL
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	14.65	11.72	1.54	0.90
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	9.96	9.37	0.90	0.78
	Ms. Ashish Bansal	Director remuneration	14.65	14.65	1.14	1.09
	Ms. Prerna Matta Arora	Salary	23.63	19.64	2.07	2.04
	Mr. Somesh Tewari	Salary	NIL	31.42	NIL	NIL
	Ms. Varsha Bharti	Salary	2.99	5.39	NIL	0.85
	Ms. Shivani Jindal	Salary	4.45	NIL	0.66	NIL
	Mr. Vijay Kr. Dwivedi	Salary	NIL	5.33	NIL	NIL

(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Loan Taken	167.53	27.00	NIL	NIL
		Loan Repaid	167.53	27.00	NIL	NIL
		Interest Paid	7.52	0.19	NIL	NIL
	Santosh Bansal	Loan Taken	150.00	NIL	NIL	NIL
		Loan Repaid	150.00	NIL	NIL	NIL
		Interest Paid	8.67	NIL	NIL	NIL
	Virender Kumar Bansal	Loan Taken	176.11	NIL	NIL	NIL
		Loan Repaid	176.11	NIL	NIL	NIL
		Interest Paid	7.92	NIL	NIL	NIL
	Nidhi Bansal	Loan Taken	181.95	NIL	NIL	NIL
		Loan Repaid	181.95	NIL	NIL	NIL
		Interest Paid	7.02	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	19.20	1.44	1.44
	Geetanjali Bansal	Professional Charges	15.84	NIL	1.19	NIL
	India Finsec Limited	Allotment of Equity shares	3,484.51	NIL	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	7.63	NIL	10.90	NIL
	India Finsec Limited	Loan Taken	639.00	NIL	NIL	NIL
		Loan Repaid	639.00	NIL	NIL	NIL
		Interest Paid	14.13	NIL	NIL	NIL

(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

38. Segment reporting:

The Company's main business is lending against collateral of gold jewellery and existing portfolio includes loans for purchase, construction, repairs and renovation etc. of residential house and Loan against property as well. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

39.Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2025	For the Year 31.03.2024	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	65.77 %	62.85 %	2.92 %	
(b) Tier I CRAR	Tier I Capital		56.78 %	52.98 %	3.80 %	Due to increase in Tier I Capital
(c) Tier II CRAR	Tier II Capital		8.99%	9.87%	-0.88 %	Inclusion of Subordinated Debt
(d) Liquidity Cover	High Quality Liquid Assets	Next 30 days Net Cash Outflow	4.23	- 0.88	580.68%	Higher amount of Cash & Cash Equivalents.

age Ratio						

40. Details of the Auctions conducted with respect to Gold Loan:

During the year under review, the Company auctioned **1020** loan accounts (Previous Year: **1082** accounts). The outstanding dues on these loan accounts were **Rs. 467.15 Lakhs** (March 31, 2024: **Rs. 524.94 Lakhs**) exclusive of GST till the respective date of auction. The Company realized **Rs. 501.13 Lakhs** (March 31, 2024: **Rs. 528.59 Lakhs**) on auctioning of gold Jewellery taken as pledge on these loans. The Excess realized Amount was refundable to Customers.

41. The Company 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 applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

42. During the financial year ended March 31, 2025, the company has not reclassified the comparative figures.

43. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

44. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2024-25.

45. The Company has entered into a Co-Lending arrangement with Grow Money Capital Private Limited (GMCPL) for the purpose of onward lending during FY 2024-25 at New Delhi, India in the lending ratio of 90 (GMCPL) : 10 (IFL Finance Ltd.). Owing to this, Total Assets under Management of the Company as on 31 March 2025 is INR 33,211.36 lacs, which includes Gross Owned Portfolio of INR 33,178.27 lacs and Managed Portfolio of INR 33.09 lacs.

46. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	**2**	**3**	**4**	**5= 3-4**	**6**	**7= 4-6**
Performing Assets						
Standard	Stage 1	28,614.85	106.80	28,508.05	100.23	6.57
	Stage 2	4,341.44	19.21	4,322.23	16.33	2.88
Sub Total		**32,956.29**	**126.01**	**32,830.28**	**116.56**	**9.45**
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	32.69	8.87	23.81	4.71	4.16
Doubtful- upto 1 Year	Stage 3	129.88	29.68	100.20	26.27	3.41
1 to 3 Year	Stage 3	39.32	12.02	27.30	12.02	-
More than 3 Years	Stage 3	8.71	8.71	-	8.71	-
Sub Total for Doubtful		**177.91**	**50.42**	**127.50**	**47.00**	**3.41**
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		**221.98**	**70.67**	**151.13**	**63.09**	**7.58**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-

and Provisioning (IRACP) norms						
Sub Total		**-**	**-**	**-**	**-**	**-**
	Stage 1	**28,614.85**	**106.80**	**28,508.05**	**100.23**	**6.57**
	Stage 2	**4,341.44**	**19.21**	**4,322.23**	**16.33**	**2.88**
	Stage 3	**221.98**	**70.67**	**151.13**	**63.09**	**7.58**
Total		**33,178.26**	**196.67**	**32,981.59**	**179.65**	**17.03**

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

47.

Particulars	**As at March 31, 2025**	
Liabilities side	**Amount Outstanding**	**Amount Overdue**
(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	18,869.46	-
(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 where there is a shortfall in the value of security	-	-
(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	33,178.27	
(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		

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

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) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	32,981.60	-	32,981.60
Total	32,981.60	-	32,981.60

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) Subsidiaries	-	-	-
(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	221.98
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	151.31
(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 Accouting 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.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

48. Additional Disclosures In Terms of NHB Guidelines

48.1 Principal Business Criteria:

48.1.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. As per para 5.3 of Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, out of the Company's total assets (netted off by intangible assets) as on 31st March 2025, not less than 60% should be by way of housing finance and not less than 50% should be by way of housing finance to individuals.

b. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 32.26% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) as on 31 March 2025 (Previous Year was 51.70%). Out of the total assets (netted off by intangible), 32.26% is by way of housing finance for individuals (Previous Year was 51.70%).
Therefore, PBC criteria as mentioned in point (a) above was not met as on 31 March 2025.

48.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2025	As at March 31, 2024
(i) CRAR (%)	65.77%	62.85%
(ii) CRAR-Tier I Capital (%)	56.78%	52.98%
(iii) CRAR-Tier II Capital (%)	8.99%	9.87%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

48.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	337.42	124.64
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	316.27	286.02
c) Total	653.69	410.66
Addition/Appropriation/Withdrawal during the year		
Add:		
a)Amount transferred u/s 29C of the NHB Act,1987	-	-
Current Year	342.70	212.78
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	19.85	30.25
Less:		
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	680.12	337.42
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	336.12	316.27
c) Total	**1,016.24**	**653.69**

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.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

48.4 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investments		
(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	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

48.5 Derivatives

48.5.1 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.

48.5.2 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

48.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence Clause 51.5.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021, is not Applicable

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

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

48.6 Securitisation

48.6.1

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

48.6.2 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

48.6.3 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

48.6.4 Details of non-performing financial assets purchased / sold

A. 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	-	-

B. 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	-	-

(Rs. in lakhs, except for share data and unless otherwise stated)

48.7 Asset Liability Management:

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2025

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	45.13	-	97.59	142.91	143.13	393.53	736.51	1,976.73	677.36	-	4,212.89
Market Borrowings											
- FI	231.04	21.66	163.93	466.68	457.08	1,371.07	2,598.67	7,783.55	409.71	-	13,503.38
- NHB	64.47	-	-	-	-	31.83	250.87	-	-	-	347.17
Overdraft From Banks							716.18	-	-	-	716.18
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	177.56	389.05	355.12	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
	340.64										

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	38.19	-	95.30	133.58	133.86	402.50	794.55	2,447.02	832.43	261.58	5,139.01
Market Borrowings											
- FI	125.65	26.40	139.03	303.17	305.43	938.29	1,557.69	6,527.29	548.51	-	10,471.46
- NHB	-	-	-	-	-	84.83	169.66	204.73	102.64	66.06	627.92
Overdraft From Banks	-	-	-	-	-	-	2,003.58	-	-	-	2,003.58
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	112.95	534.52	225.90	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

48.8 Exposure

48.8.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2025	As at March 31, 2024
Category		
A)Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	12,107.18	16,304.54
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	11,004.92	14,511.29
(ii) Commercial Real Estate -		
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:	18.98	36.71
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**12,126.17**	**16,341.25**

48.8.2 Exposure to Capital Market

Particulars	As at March 31, 2025	As at March 31, 2024
(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)	-	-
Total Exposure to Capital Market	-	-

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

48.8.3 Details of financing of parent company products

No financing of parent company products is done.

48.8.4 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.

48.8.5 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.

a.

b. 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.

48.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

49 Miscellaneous

49.1 Registration obtained from other financial sector regulators

• Registration of the Company as LEI (Legal Entity Identifier) as required by RBI wide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2025.

• The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 2016

49.2 Disclosure of Penalties imposed by NHB and other regulators

i) There is no penalty imposed by NHB or other regulator during FY 2024-25.

ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

49.3 Related party transactions

Related Party	Parent		Subsidiaries		Associates / Joint ventures		Key Management		Relatives of Key Management Personnel		Others *		Total	
	(as per ownership or control)													
Items														
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Transactions during the year														
Borrowings Taken	639.00	-	NA	NA	NA	NA		-	675.59	27.00		-	1,314.59	27.00
Borrowings Repaid	639.00		NA	NA	NA	NA			675.59	27.00		-	1,314.59	27.00
Deposits#		-	NA	NA	NA	NA		-		-		-		
Placement of deposits#		-	NA	NA	NA	NA		-		-		-		
Advances Given#		-	NA	NA	NA	NA		-		-		-		
Investments#		-	NA	NA	NA	NA		-		-		-		
Purchase of fixed/other assets		-	NA	NA	NA	NA		-		-		-		
Sale of fixed/other assets		-	NA	NA	NA	NA		-		-		-		
Interest paid	14.13	-	NA	NA	NA	NA		-	31.13	0.19		-	45.26	0.19
Others														
a. Rent Paid		-	NA	NA	NA	NA	9.00	9.00		-	9.00	9.00	18.00	18.00
b. Director Remuneration		-	NA	NA	NA	NA	68.56	46.88		-		-	68.56	46.88
c. Salary		-	NA	NA	NA	NA	31.07	71.15		-		-	31.07	71.15
d. Professional Charges		-	NA	NA	NA	NA		-	35.04	19.20		-	35.04	19.20
e. Commission on Corporate Guarantee	7.65	10.90	NA	NA	NA	NA		-		-		-	7.65	10.90
f. Allotment of equity shares	3,464.50	-	NA	NA	NA	NA		-		-		-	3,464.50	-

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

49.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report

49.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	CRISIL Ratings Limited	CRISIL BBB-/Stable	6th November 2024	5th November 20

49.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

49.7 Management

As provided in Board of Directors' Report.

49.8 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)	2,391.91
Prior Period Items	1.78
Changes in Accounting Policies	Nil

49.9 Revenue Recognition

There is no deferment of revenue recognition.

49.10 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.

49.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

50 Additional Disclosures

50.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2025	As at March 31, 2024
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	533.88	407.97
3. Provision towards NPA	70.66	98.57
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	126.01	99.14
5. Provision for Sub-standard assets	8.87	31.45
6. Provision for Doubtful assets	50.42	55.76
7. Provision for Loss Assets*	11.38	11.38
8. Provision for Employee Benefits	64.49	42.67
9. Other Provision and Contingencies (with details)	-	-

* Loss Assets due to identification of fraud during the FY 21-22.

Break up 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	11,116.79	21,839.50	14,793.09	12,802.39
b) Provisions made	38.60	87.41	46.73	52.40
Sub-Standard Assets				
a) Total Outstanding Amount	28.21	4.47	142.42	15.08
b) Provisions made	7.65	1.22	28.45	3.00
Doubtful Assets – Category-I				
a) Total Outstanding Amount	120.14	9.74	96.95	15.68
b) Provisions made	27.39	2.30	31.44	5.11
Doubtful Assets – Category-II				
a) Total Outstanding Amount	29.55	9.76	21.49	11.93
b) Provisions made	9.02	3.00	12.24	6.97
Doubtful Assets – Category-III				
a) Total Outstanding Amount	8.48	0.23	-	-
b) Provisions made	8.48	0.23	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

50.1.a 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.

50.1.b 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	Opening Balance As at April 01, 2024	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2025
Taxation (Current Tax)	407.97	533.88	407.97	533.88
Standard Assets	99.14	126.01	99.14	126.01
Sub-Standard Asset	31.45	67.36	89.95	8.86
Doubtful Asset	55.76	-	5.34	50.42
Loss Asset	11.38	-	-	11.38
Employee Benefits	42.67	21.82	-	64.49

50.2 Draw Down from Reserves

Company has not drawn any amount from reserves.

50.3 Concentration of Public Deposits, Advances, Exposures and NPAs

50.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2025	As at March 31, 2024
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

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

50.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total loans & advances to twenty largest borrowers	586.36	583.88
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.

50.3.3 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	586.36	583.88
Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	1.76%	2.08%

Note:

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

50.3.4 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top ten NPA accounts	83.20	125.70
Total exposure to NPA accounts	221.98	314.92

50.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans:		
1. Individuals	1.75%	1.81%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	3.02%	3.37%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.00%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

50.4 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	314.92	249.16
b) Additions during the year	158.24	186.67
c) Reductions during the year	251.19	120.91
d) Closing balance	221.97	314.92
(III) Movement of Net NPAs		
a) Opening balance	216.34	194.11
b) Additions during the year	165.48	122.80
c) Reductions during the year	230.51	100.57
d) Closing balance	151.31	216.34
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	98.58	55.05
b) Provisions made during the year	67.36	63.87
c) Write-off/write-back of excess provisions	95.28	20.34
d) Closing balance	70.66	98.58

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

50.5 Overseas Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Overseas Assets	-	-

50.6 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

50.7 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	21,052.11	11,569.16
Gross Total Loans Outstanding	33,178.27	27,910.40
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	63.45%	41.45%

51. Disclosure of Complaints

Customers Complaints (In Numbers)

Particulars	As at March 31, 2025	As at March 31, 2024
a) No. of complaints pending at the beginning of the year	-	1
b) No. of complaints received during the year	4	3
c) No. of complaints redressed during the year	4	4
d) No. of complaints pending at the end of the year	-	-

52 Fraud Cases

52.1

Particulars	As at March 31, 2025		As at March 31, 2024	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	1	11.38	2	19.08
Additional Loan Accounts detected as Fraud during the Year	-	-	1	7.00
Amount Recovered during the year	-	-	2	14.70
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	1	11.38	1	11.38
Provision Created		11.38		11.38

53 Disclosure in pursuant to Guidelines for Entry of Housing Finance Companies into Insurance Business:

53.1 The Company is not engaged in the business of Insurance Agency.

54 During the year:

54.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.

54.2 No prior period items occurred which has impact on profit and loss account.

54.3 No change in any accounting policy.

54.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

54.5 There was no withdrawal from Reserve fund.

54.6 Company has not accepted public deposits.

54.7 The company do not have an exposure to teaser rate loans.

55 Event occurring after Balance sheet Date :

55.1 The Company 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

56 The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, Indian accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

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57. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

58. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED
(Formerly known as IFL HOUSING FINANCE LIMITED)

Sd/-
CA. Varun Garg
Partner
Membership No. 523588

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Sd/-
Sunita Bansal
Director
DIN: 02801660

New Delhi, the 22nd day of May, 2025
UDIN: 25523588BMJMMR9556H

Sd/-
Prerna Matta Arora
CFO
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED

Thank you!!







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