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ANNUAL REPORT

2025-26

IFL FINANCE LIMITED

(Formerly Known as IFL Housing Finance Limited)

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MANAGING DIRECTOR'S MESSAGE



GOPAL BANSAL
Managing Director

"From Ambition to Achievement
We Make it Happen."

Dear Esteemed Shareholders,

It gives me immense pleasure to welcome you to the 11th Annual General Meeting of IFL Finance Limited and to present the Annual Report for the financial year ended March 31, 2026.

The year under review has been one of the most significant milestones in the history of your Company. It marks the successful completion of our strategic transition into an RBI-registered Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). This transition has fundamentally repositioned IFL Finance as a focused retail lending institution with a clear emphasis on secured lending through gold loans.

On behalf of the Board of Directors, I extend my heartfelt gratitude to our shareholders for your continued trust,confidence, and unwavering support throughout this transformational journey.

Today, IFL Finance is focused on providing secured retail credit with gold loans as our flagship product. We believe that this business offers an ideal combination of strong customer demand, high asset quality, attractive yields, and efficient capital deployment.

Gold Loan Business: Empowering Financial Inclusion & Freedom

During FY 2025–26, the gold loan sector continued its strong growth trajectory, driven by rising demand for accessible, flexible, and rapid liquidity. Serving as a crucial driver of financial inclusion, gold-backed financing has established itself as an essential bridge to formal credit—particularly for self-employed individuals, micro-entrepreneurs, and households in the informal economy.

At **IFL Finance**, we enable our borrowers to capitalize on their gold assets with complete peace of mind, offering instant funding for personal, business, and emergency requirements without requiring asset liquidation. Our operational focus relies on streamlined underwriting, competitive pricing, and rapid turnaround times from appraisal to disbursement.

The Reserve Bank of India (RBI) has continued to strengthen the regulatory framework for NBFCs through various Master Directions and supervisory guidelines, fostering greater transparency, governance, customer protection, and operational resilience across the sector.

At **IFL Finance**, we remain fully committed to complying with all applicable regulatory requirements and continuously enhancing our processes in line with evolving regulatory expectations. Our focus is on leveraging technology to deliver a secure and seamless customer experience through digital initiatives such as OTP-based KYC and customer authentication, robust Loan-to-Value (LTV) monitoring, transparent and well-governed auction processes, and strengthened compliance frameworks. These initiatives reinforce our commitment to responsible lending, operational excellence, and maintaining the highest standards of trust and integrity while expanding access to formal credit.



During FY 2025–26, the sustained strength in gold prices created a favorable environment for our gold loan business. By adopting a strategic and disciplined approach, we leveraged these market conditions to achieve healthy growth in disbursements and significantly strengthen our gold loan portfolio.

The Indian organised gold loan market has witnessed strong growth in recent years, driven by rising consumer preference for quick and secured credit, increasing financial inclusion, and the gradual shift from unorganised lenders to regulated institutions. Supportive gold prices, greater awareness of formal lending channels, and increasing digital adoption are further expanding the market opportunity. With technology-enabled customer onboarding and efficient loan disbursement, NBFCs are well positioned to capitalise on this growing demand and drive sustainable growth.

Significant Milestones Achieved by the Company

Successful Conversion from HFC to NBFC-ICC

A landmark regulatory milestone during the year was the successful conversion of the Company from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) in June 2025. This strategic transition provides the Company with greater operational flexibility to diversify its lending portfolio, and supports expansion in gold loan business segment, and pursue broader growth opportunities. The conversion also aligns the Company's business model with its long-term strategic vision of becoming a more diversified, scalable, and future-ready financial institution.

Credit Rating Upgrade – Strengthening Financial Credibility

One of the most significant achievements during the year was the upgrade in the Company's credit rating by CRISIL from BBB-/Stable to BBB/Stable. This upgrade reflects our improving financial profile, sound governance framework, and consistently strengthening balance sheet. It reinforces the confidence of lenders, investors, and other stakeholders in the Company's long-term growth strategy and financial resilience while enhancing our ability to access capital on competitive terms.

Strong Business Growth and Enhanced Profitability

The Company delivered another year of robust financial performance, with Gross Assets Under Management (AUM) increasing to ₹520.49 Crores as on March 31, 2026, representing a strong 56.72% year-on-year growth from ₹332.11 Crores in the previous financial year. This growth was complemented by healthy profitability, with Profit After Tax (PAT) increasing to ₹21.62 Crores, compared to ₹18.12 Crores in FY 2024–25. These achievements reflect the Company's strong execution capabilities, sustainable business model, and continued focus on value creation for stakeholders.

IPO Journey – A Transformational Growth Milestone

During the year, the Company embarked on its next phase of growth by initiating the process for its proposed Initial Public Offering (IPO). The proposed IPO is expected to provide a strong platform for the Company's next phase of expansion by strengthening its capital base, enhancing financial flexibility, supporting business growth, and improving its ability to capitalize on emerging market opportunities. Further, listing on the stock exchange is expected to enhance the Company's brand visibility, strengthen corporate governance and transparency, broaden its investor base, and improve access to diversified and cost-effective sources of capital, thereby creating long-term value for all stakeholders.

As a significant milestone in this journey, the Company filed its Draft Red Herring Prospectus (DRHP) in July 2026, marking an important step towards becoming a publicly listed company and reinforcing its commitment to sustainable growth and value creation.

Successful Entry into the Listed Debt Capital Market

During FY 2025–26, the Company successfully diversified its borrowing profile by entering the listed debt capital market. We completed five private placements of listed Non-Convertible Debentures (NCDs) on the National Stock Exchange, raising an aggregate amount of ₹145.98 Crores during the year. Building on this momentum, the Company further raised ₹90 Crores through another successful listed NCD issuances till date.

This achievement reflects the strong confidence of institutional investors in the Company's business model, governance standards, and financial strength. The diversification of funding sources enhances financial flexibility, optimizes borrowing costs, and provides a strong foundation to support the Company's future growth strategy.

Expanding Footprint and Customer Reach

The Company continued to strengthen its market presence by expanding its distribution network to 88 branches across five states as on March 31, 2026. This enhanced footprint enabled us to more than 30000 active customers, reflecting our growing market penetration and strong customer trust. The expansion of our branch network has improved accessibility, deepened our presence in existing and new markets, and positioned the Company for sustainable business growth while reinforcing our commitment to delivering inclusive and customer-centric financial solutions.

Acknowledgement

The achievements of the year would not have been possible without the dedication and commitment of our employees. I sincerely thank every member of the IFL Finance family for their hard work, professionalism, and relentless pursuit of excellence.

I also express my deepest gratitude to our customers for placing their trust in us. Your confidence continues to inspire us to deliver responsible, transparent, and customer-centric financial solutions.

I would also like to thank our Board of Directors for their invaluable guidance, our bankers, lenders, debenture holders, regulators, auditors, business partners, and all other stakeholders for their continued support and confidence in our Company.

Finally, I extend my heartfelt appreciation to our shareholders. Your faith in our vision motivates us to continue building a stronger institution founded on integrity, prudent growth, and long-term value creation.

As we enter the next phase of our journey, we remain committed to strengthening our leadership position in the gold loan sector, maintaining the highest standards of governance, and delivering sustainable growth for years to come.

Thank you for your continued trust and support.

With Best Wishes,

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Board of Directors & Key Managerial Personnel



Mr. Gopal Bansal

Managing Director

Mr. Gopal Bansal is a distinguished Chartered Accountant and an accomplished business leader, widely recognized for his excellence in finance, corporate management, and strategic leadership. He also holds a Bachelor's degree in Commerce from the University of Rajasthan.

With over 23 years of experience, he has built expertise across finance, portfolio management, taxation, treasury management, business acquisitions, financial product design, corporate law, mergers & acquisitions, asset recovery, and asset restructuring. As the Managing Director and Promoter of the Company, he provides strategic direction and oversees its overall operations, driving sustainable growth and long-term value creation. His visionary leadership has also played a pivotal role in the growth of IFL Finance Limited (formerly IFL Housing Finance Limited), enabling the organization to expand its reach and deliver meaningful financial solutions to a growing customer base.



Mrs.Sunita Bansal

Whole Time Director

Mrs. Sunita Bansal has over 26 years of extensive experience in Human Resources and leadership. She is responsible for overseeing the Company's human resource functions, including the formulation of workplace policies, fostering a high-performance organizational culture, talent acquisition and development, performance management, and implementing HR strategies aligned with the Company's business objectives. Her leadership has been instrumental in creating a strong people-centric culture that has supported the Company's sustained growth and operational excellence.

An alumna of the Institute for Technology & Management (ITM), Mumbai, with a specialization in Business Management (Human Resources), Mrs. Bansal possesses strong leadership, strategic planning, and organizational management skills. Her rich professional experience and result-oriented approach enable her to effectively manage multiple strategic initiatives while driving organizational development and contributing significantly to the Company's long-term growth and success.



Mr.Ashish Bansal

Non - Executive Director

A Chartered Accountant by profession, Mr. Ashish Bansal has 13 elaborate years of experience in the diverse field of finance, law and project finance, taxation, accounts and underwriting. Furthermore, another feather to his cap involves 6 years of NBFC experience.

Owing to his financial and managerial skills, he plays an important role in the strategic team and is responsible for ensuring that the company achieves its goals and obligations. He has contributed significantly to several decision-making processes that have led the company to new heights.



Ms.Kriti Suri

Whole Time Director

An important member of our organisation and accounts, Ms. Kirti Suri is the Collection Head who determines the collection-related policies and strategies. Having a keen eye for detail, the expert highlights the areas that require attention and ensures to design a well-defined strategy that augments the collection process. Her responsibility also includes managing regional heads and employees collecting dues.

A post-graduate in Commerce, Ms. Suri is a professional that possesses excellent management and problem-solving skills that have proven to be beneficial for the company in many ways. She keeps a close check of the repayments and past due balances and addresses performance issues. She strategies to develop processes that adhere to company policies and result in prompt collections.



Mr.Devi Dass Agarwal

Chairperson & Non-Executive Independent Director

Devi Dass Agarwal is the Chairperson & Non-Executive Independent director of our Company. He has been on the Board of Directors of our Company since August 07, 2021. He holds a Bachelor's Degree of Commerce (Honours) from University of Meerut. He also holds degree of Bachelor of Laws (LL.B.) from University of Lucknow. He holds a Diploma in Treasury Investment and Risk Management from Indian Institute of Banking & Finance. He is also a Certified Associate of Indian Institute of Bankers - Indian Institute of Banking & Finance. He was previously associated with Central Bank of India as Assistant General Manager (Scale V).

He has more than 39 years of experience in the Banking sector. He holds an Independent Director's Databank Registration Certificate issued by the Indian Institute of Corporate Affairs.



Ms. Khushboo Nilesh Rawat

Non-Executive Independent Director

Khushboo Nilesh Rawat is the Non-Executive Independent Director. She was appointed on the Board of our Company w.e.f. June 06, 2026. She is an Associate member of the Institute of Company Secretary of India and also holds a bachelor's degree in Commerce from Mumbai University. She was associated with Wind World (India) Limited as Sr. Assistant Officer- Finance, Reliance Capital Limited as Deputy Manager- Legal and Compliance, Essel Infra projects Limited as Deputy Manager- Corporate Secretarial, Terraform Global India Private Limited as Company Secretary.

She holds an Independent Director's Databank Registration Certificate issued by the Indian Institute of Corporate Affairs and is an Independent Director of NAPS Global India Limited. She has experience in Compliance, Secretarial and Legal matters.



Ms. Prerna Matta Arora

Chief Financial Officer

A Chartered Accountant and a Company Secretary, Ms. Prerna Matta Arora is a professional with 13 years of extensive experience in the field of Finance, Taxation, Fund-Raising, Compliances, Investor Relations and Fund Management.

Ms. Arora is responsible for financial actions of the Company, including business planning, budgeting, forecasting and negotiations. She helps in augmenting the growth of the Company by finding external funding opportunities for growing the business, debt management, cash management, liquidity projections, treasury operations, bank relationship management and short-term investing. She is involved in the entire financial machinery of the Company including recommending / implementing of financial controls & processes that strengthen compliance and ensuring statutory compliances of the Company, along with the enforcement of proper accounting policies and principles.



Ms. Shivani Jindal

Company Secretary and Compliance Officer

Ms. Shivani Jindal is a qualified Company Secretary and Compliance Officer with extensive experience in secretarial and legal compliance. She is responsible for managing the Company's secretarial and regulatory compliances, ensuring adherence to the provisions of the Companies Act, SEBI Regulations, stock exchange requirements, and other applicable laws. She also has expertise in handling listed Non-Convertible Debenture (NCD) issuances, Initial Public Offerings (IPOs), preferential allotments, and the compliances of listed companies.

She plays a key role in supporting the Board by keeping it informed of significant legal and regulatory developments and ensuring compliance with statutory requirements, internal policies, and corporate governance standards. Her commitment to regulatory excellence and good governance contributes significantly to the Company's sustainable growth.

ABOUT US

IFL Finance Limited (formerly known as IFL Housing Finance Limited), a subsidiary of India Finsec Limited, is a public limited company incorporated in India under the provisions of the Companies Act, 2013.

The Company is registered with the Reserve Bank of India (RBI) as a Non-Banking Financial Company -Investment and Credit Company (NBFC-ICC) under Certificate of Registration No. N-14.03651, with effect from June 26, 2025.

Prior to this, the Company was registered as a Housing Finance Company (HFC) under Section 29A of the National Housing Bank Act, 1987, and was primarily engaged in providing Home Loans and Loans Against Property (LAP). In December 2020, the Company diversified its lending portfolio by entering the Gold Loan business. Recognizing the significant growth potential of this segment, the Company strategically realigned its business focus towards the Gold Loan business from April 2024.

The Company has its registered and corporate office in Delhi and operates through a network of branches across Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh, and Haryana, providing financial services to a diverse customer base.

Our Mission, Vision & Value



Mission

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

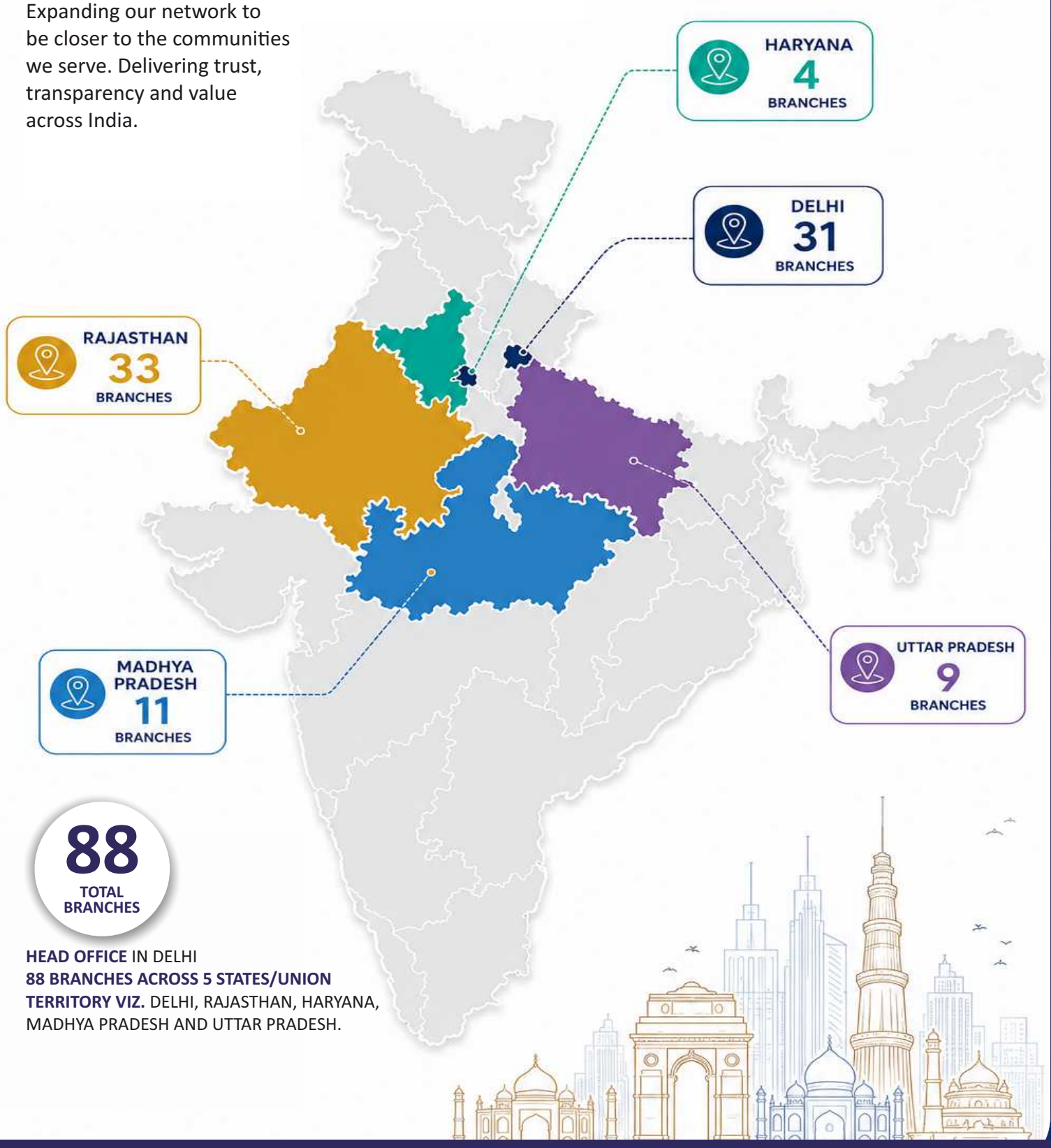
Integrity:
To be true to what we do at every step of the process while dealing with the customers.

Fulfilment:
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.

Our Presence Stronger Together

Expanding our network to be closer to the communities we serve. Delivering trust, transparency and value across India.



88
TOTAL BRANCHES

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

Corporate Information

Our Banks

SBI

Capital Small Finance Bank

Bandhan Bank

CUB Trust and Excellence SINCE 1904 — CITY UNION BANK LTD

AU SMALL FINANCE BANK

Regulatory Body

RESERVE BANK OF INDIA

Financial Institution

a.k. BUILDING BONDS

Great Place To Work. Certified — ANANDRATHI GLOBAL FINANCE

POONAWALLA FINCORP

TATA CAPITAL

Chola Enter a better life

MANAPPURAM FINANCE LIMITED

InCred finance

NORTHERN ARC

WESTERN CAP

MAS FINANCIAL

AMBIT Finvest Pragati ke partner

vivriti CAPITAL Ambitions Unleashed

Kissandhan

SUNDARAM HOME — Sundaram Finance Group —

HINDUJA HOUSING FINANCE

STCI Finance Limited

efl ...by your side

NABSAMRUDDHI FINANCE LIMITED (A Subsidiary of NABARD)

Let Us Realise The Dream MRHMFL

Corporate Information

Auditors

STATUTORY AUDITORS

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

INTERNAL AUDITORS

M/s Mukesh M Gupta
& Associates,
Chartered Accountant,
A - 1/638 - 639 Top Floor,
Sector-6, Rohini,
Delhi-110085

SECRETARIAL AUDITORS

M/s Sarita Singh &
Associates,
Company Secretaries,
304, Pavan Kuteer, Camelot
Kondapur,
Hyderabad-500084

Registrar & Transfer Agent

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

Other Information

CIN: U65910DL2015PLC285284
REGISTERED OFFICE AND CORPORATE OFFICE
D-16, 1 Floor, Above ICICI Bank, Sector-14, Prashant Vihar, New Delhi-110085
Tel: 011-47096097; E-mail: info@iflfinanceltd.com
Website: www.iflfinanceltd.com

Book Running Lead Manager (BRLM)

Aryaman Financial Services Limited
CIN: L74899DL1994PLC059009
Registered Office Address: 60, khatau Building, GF, Alkesh Dinesh Modi Marg,
Fort, Mumbai -400001, Maharashtra
Tel No.: +91-22-62166999;Email Id: ipo@afsl.com

Debenture Trustee

Catalyst Trusteeship Limited
CIN: U74999PN1997PLC110262
Registered Office Address: 901,9th Floor, Tower – B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013
Tel No.: 022 4922 0555; Email Id: ComplianceCTL-Mumbai@ctltrustee.com
Website: www.catalysttrustee.com

History Timeline



2026
Gross AUM : Rs. 520.49 Cr
Active Borrowers : 33951
Cumulative No of Loans Sanctioned : 72524
Cumulative No of Loans Disbursed : 72524
CONVERSION FROM HFC TO NBFC IN JUNE 2025

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 LICENCE FROM NHB ON 12 DEC 2017.
COMMENCED OPERATIONS FROM JANUARY 2018.

Business Overview

IFL Finance Limited, a Non-Deposit taking, Non-Banking Financial Company classified as an Investment and Credit Company (NBFC-ICC),is registered with the Reserve Bank of India ("RBI") under Section 45-IA of the Reserve Bank of India Act, 1934, bearing registration no. N-14.03651 dated June 26, 2025. We were originally incorporated in September 2015 as "IFL Housing Finance Limited" and received a certificate of registration from the National Housing Bank bearing certificate no. 12.0164.17 dated December 12, 2017, pursuant to which we commenced our housing finance business.

In January 2018, the company started it's operations as a subsidiary of India Finsec Limited, an entity listed on the Bombay Stock Exchange (BSE). Pursuant to our strategic focus on secured retail lending, particularly gold loans, we surrendered our housing finance company license and were granted a fresh certificate of registration by the RBI as an NBFC-ICC in June 2025. Simultaneously, India Finsec Limited (Parent Company) surrendered its NBFC licence and transitioned into an unregistered Core Investment Company ("CIC").





5	88
No.of States/ Union Territory	No. of States/ Union Territory

IFL Finance is a prominent Non-Banking Financial Company, 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, 2026, we operated a network of 88 branches across five states and union territories, comprising 31 in the National Capital Territory of Delhi, 33 branches in Rajasthan, 11 branches in Madhya Pradesh, 9 branches in Uttar Pradesh and 4 branches in Haryana. Through this network, we served approximately 34,000 active borrowers.

We achieved a remarkable 19.31% increase in Profit After Tax (PAT) during FY 2025–26, rising to ₹21.63 crores from ₹18.13 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.

COLLECTIVE & RECOVERY PROCESS

Housing Loan & LAP Segment:

Your Company has in house collection team and effective collection app which enables the Company to undertake hassle-free collection and recovery processes of Housing Loan and LAP.

a. Default Indicator: Collection Officers access the Defaulter list through collection application for the respective month.

b. 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 Team subsequently makes recovery efforts to ensure the prompt collection of outstanding EMIs.

c Controls: There are various ways through which control is established for mobile app:

i 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.

ii. 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.

iii. 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 of Head Office .

d. 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 purpose. 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.

FUNDING SOURCES

OUTSTANDING	
EQUITY:	(CY: Rs. 8475.82 Lakhs) (PY: Rs. 8475.82 Lakhs)
FREE RESERVES:	(CY: Rs. 8213.33 lakhs) (PY: Rs. 6482.44 Lakhs)
BORROWINGS:	(CY: Rs. 38821.47 Lakhs) (PY: Rs. 18779.62 Lakhs)

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 till the aggregate outstanding amount does not exceed ₹1,000 crores.

Taking care of the maximum borrowing limit, the company has drawn disbursement from several new lenders such as Paul Merchants Finance Pvt Ltd., Shriram Finance Limited, Anand Rathi Global Finance Ltd, A.K. Capital Finance Limited, Capital Small Finance Bank and Oxyzo Financial Services Limited during FY 2025-26. Also, several existing lenders viz. AU Small Finance Bank Limited, MAS Financial Services Limited, Ambit Finvest Private Limited, Northern Arc Capital Ltd., Manappuram Finance Ltd., STCI Finance Ltd, City Union Bank, and Bandhan Bank 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 time default.

Financial Snapshot (As on 31st March, 2026)

88 Branches which comprises 44 Home Loan Branches and 44 Gold Loan Branches

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

33000+ Active Customers

Gross Loan Portfolio of Rs. 513.24 Crores consisting of Home loan & LAP (15%) and Gold Loans (85%)

Asset size of Rs. 588.98 Crores and PAT of INR 21.63 Crores

Financial Highlights

PARAMETERS	FY26	FY25	Increase/(Decrease)
GROSS AUM (RS. IN LAKHS)	51,323.73	33,178.27	54.69%
GROSS DISBURSEMENT (RS. IN LAKHS)	1,33,640.88	47,897.73	179.01%
PAT (RS. IN LAKHS)	2,162.79	1,812.75	19.26%
GROSS NPA (AS % OF GROSS AUM)	0.79	0.67	18.65%
NET NPA (AS % OF GROSS AUM)	0.58	0.46	25.36%
CAPITAL ADEQUACY RATIO (CRAR) (%)	33.97	65.77	-48.34%
TIER I (%)	33.72	56.78	-40.61%
TIER II (%)	0.26	8.99	-97.15%
RETURN ON AVERAGE ASSETS (%)	4.55	5.47	-16.87%
RETURN ON AVERAGE EQUITY (%)	12.68	13.59	-6.73%
DEBT EQUITY RATIO (TIMES)	2.14	1.18	81.39%
NET OWNED FUND (RS. IN CRORES)	17,909.45	15,726.08	13.88%
NET PROFIT MARGIN (%)$	25.24	25.40	-0.69%
NET INTEREST MARGIN (NIM) (%)	11.33	14.37	-21.16%
TOTAL OPERATING EXPENSES TO NII (TIMES)	0.41	0.45	-9.73%
COST TO INCOME (TIMES)	0.25	0.29	-13.63%
OPEX TO AVG ASSET (TIMES)	0.04	0.06	-31.42%
BRANCHES (NUMBERS)	88	77	14.29%
ACTIVE CUSTOMERS (NUMBERS)	33951	28287	20.02%
EMPLOYEE STRENGTH (NUMBERS)	328	290	13.10%
CREDIT RATING	CRISIL BBB/Stable	CRISIL BBB-/Stable	Updrade by one notch

SEGMENT - WISE OPERATIONAL HIGHLIGHTS

The company is having 14.33% of its total portfolio in Housing Loan, 0.90% in Loan Against Property and 84.77% in Gold Loan Segment.

The Average Ticket Size on outstanding loans are:

a. Home Loan : Rs. 2.47 Lakhs
b. Loan Against Property : Rs. 2.44 Lakhs
c. Gold Loan : Rs. 1.58 Lakhs

The Average Tenure on outstanding loans are:

a. Home Loan : 70 Months
b. Loan Against Property : 67 Months
c. Gold Loan : 12 Months

The Average LTV on outstanding loans are:

a. Home Loan : 12.35%
b. Loan Against Property : 7.32 %
c. Gold Loan : 51.93%

The Average ROI on outstanding loans are:

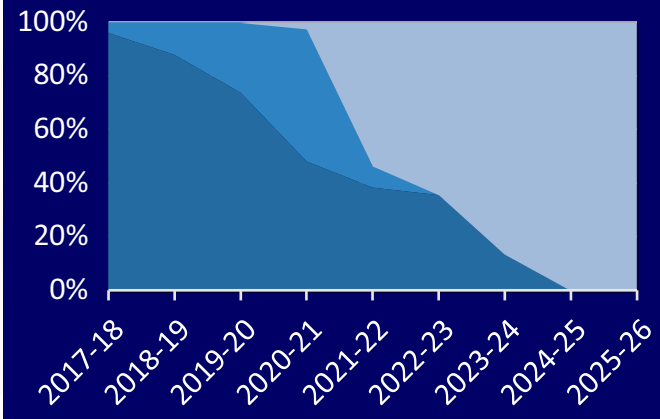
a. Home Loan : 24.73%
b. Loan Against Property : 24.34%
c. Gold Loan : 19.86%

Having the Total GNPA of 0.79% and NNPA of 0.58%, out of which:

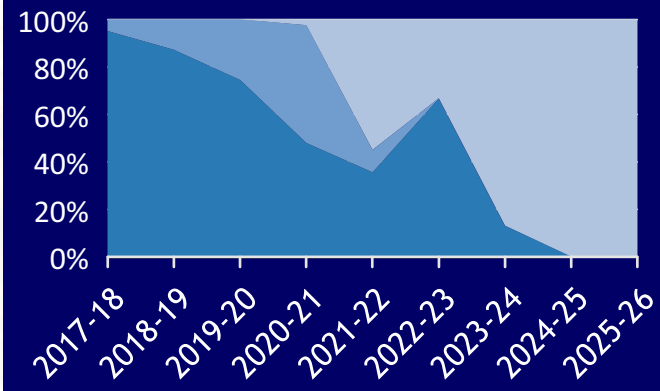
Segment	GNPA %	NNPA %
Home Loan	0.72	0.52
Loan Against Property	0.05	0.03
Gold Loan	0.03	0.02
Total	0.79	0.58

OPERATIONAL

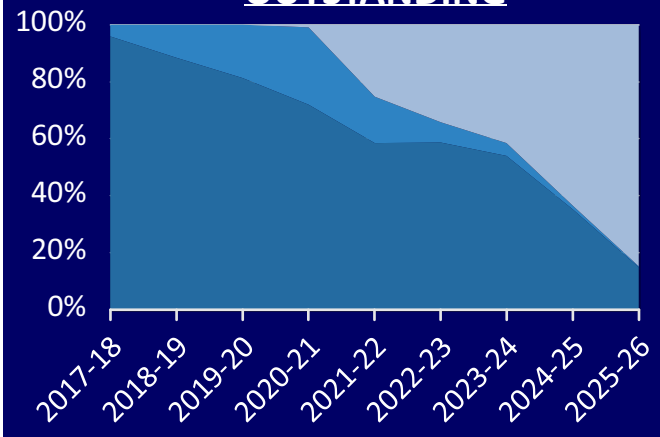
SANCTION



DISBURSEMENT



OUTSTANDING



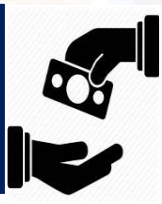
Gold Loan
Loan Against Property
Home Loan

KEY HIGHLIGHTS FY 2025-26



GROSS AUM
Rs. 513.24 Cr

GROSS DISBURSEMENT
Rs. 1336.41 Cr





NON-PERFORMING ASSETS
GNPA 0.79%; NNPA 0.58%

CAPITAL ADEQUACY RATIO (CRAR)
33.97%



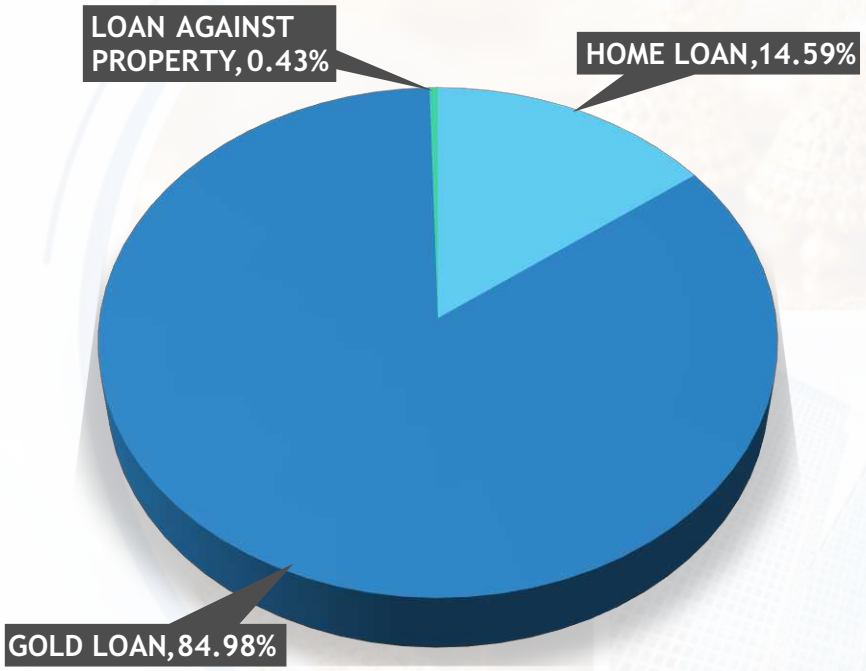
OUR PRESENCE
State: 5; Branches: 88

EMPLOYEES
328

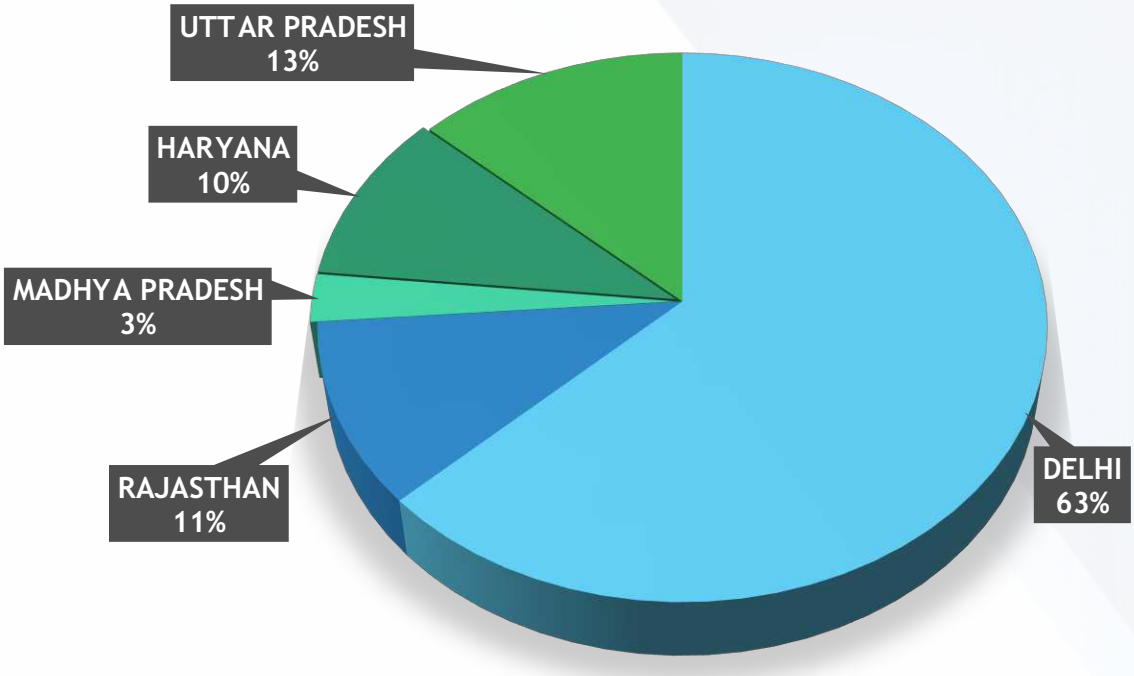


KEY HIGHLIGHTS FY 2025-26

SEGMENT WISE GROSS AUM

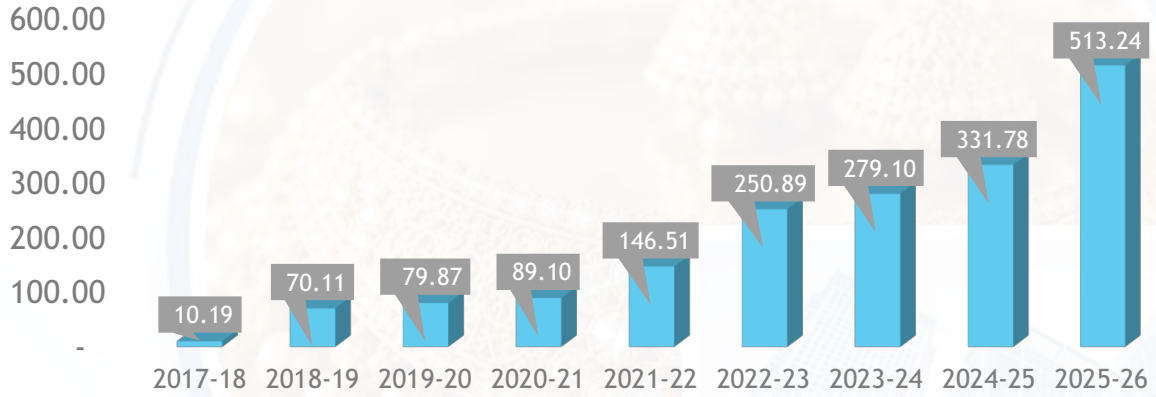


GEOGRAPHICAL-WISE GROSS AUM



FINANCIAL PERFORMANCE HIGHLIGHTS
BUSINESS PARAMETERS

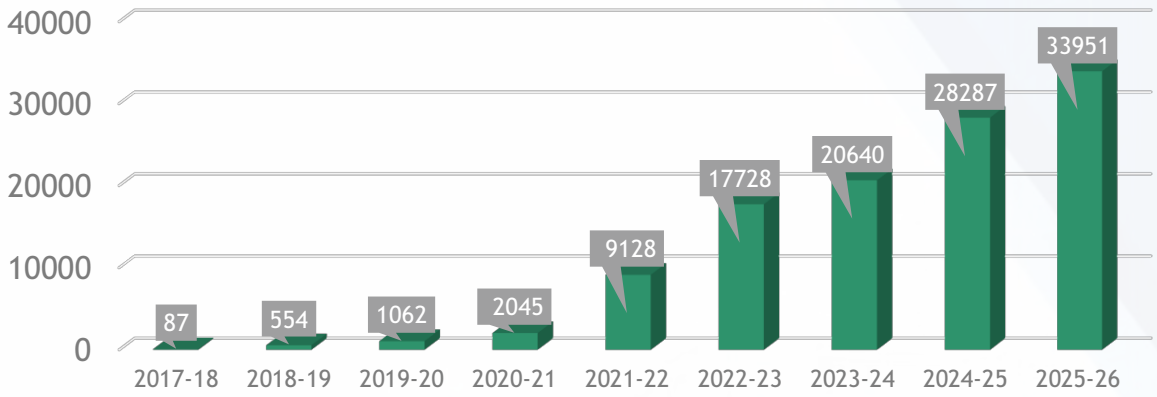
GROSS ASSET UNDER MANAGEMENT
(Gross AUM in Crores)



DISBURSEMENT (IN CRORES)

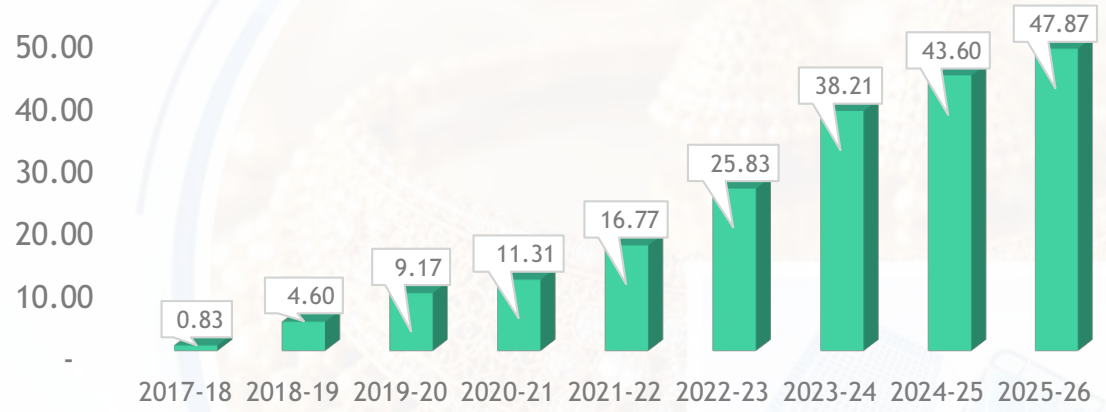


NUMBER OF ACTIVE BORROWERS

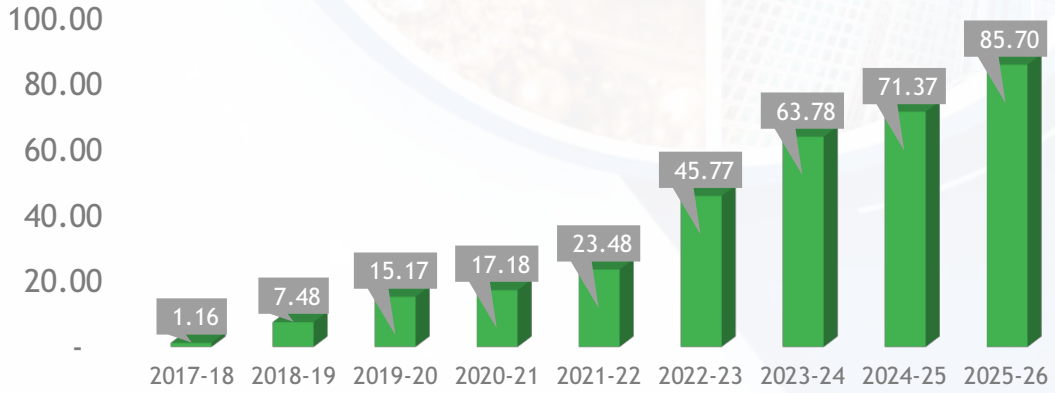


FINANCIAL PERFORMANCE HIGHLIGHTS
BUSINESS PARAMETERS

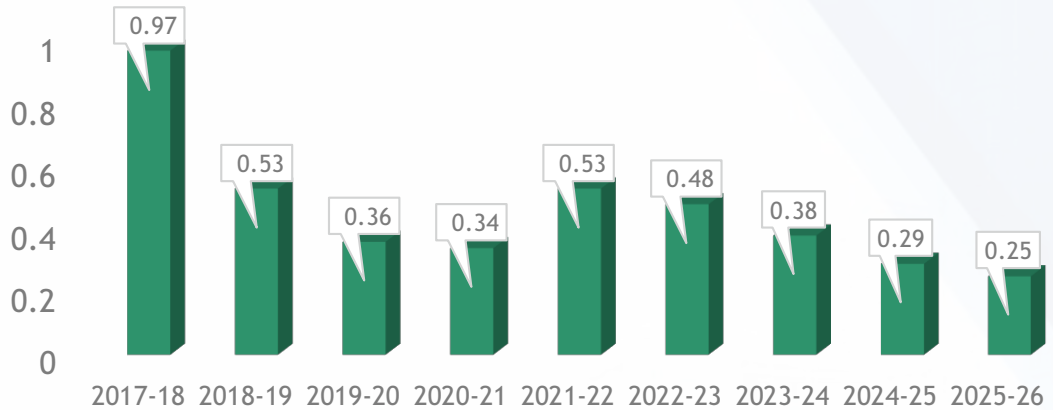
NET INTEREST INCOME (IN CRORES)



GROSS TOTAL INCOME (IN CRORES)

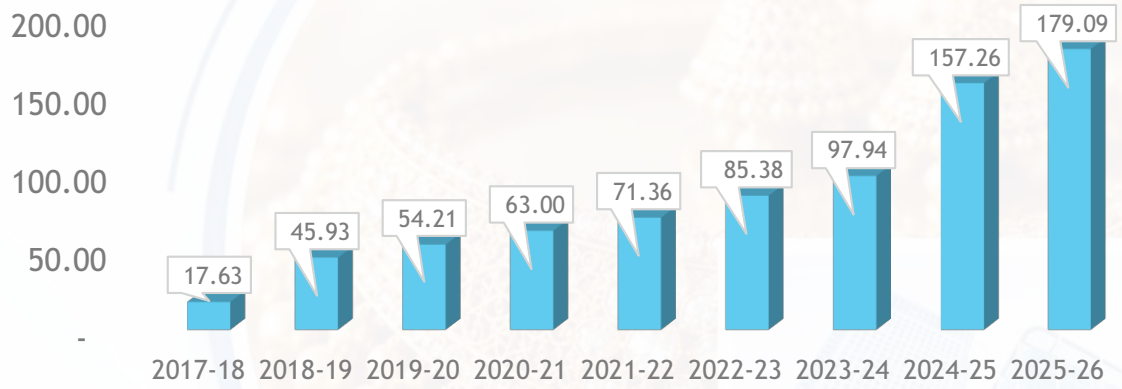


COST TO INCOME (IN TIMES)

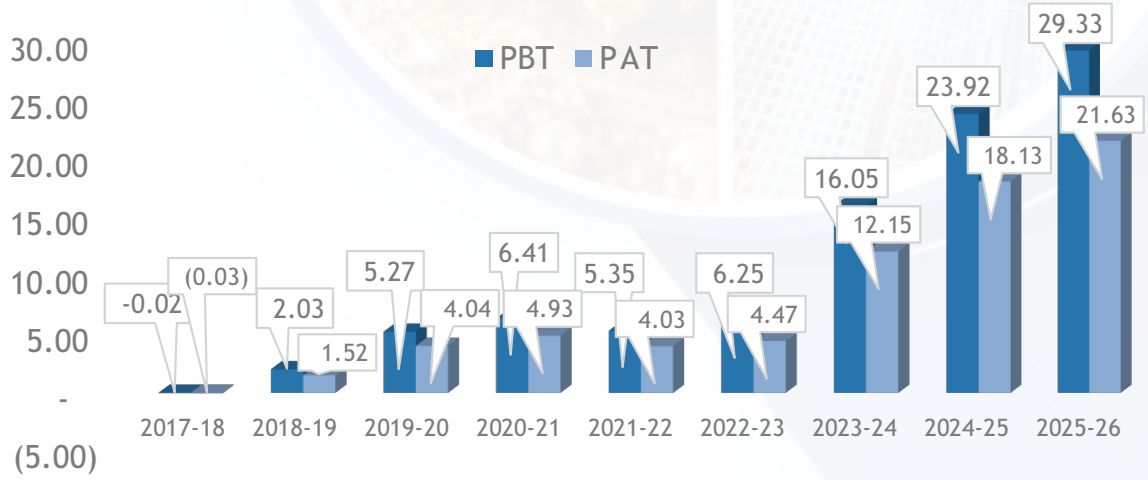


FINANCIAL PERFORMANCE HIGHLIGHTS
BUSINESS PARAMETERS

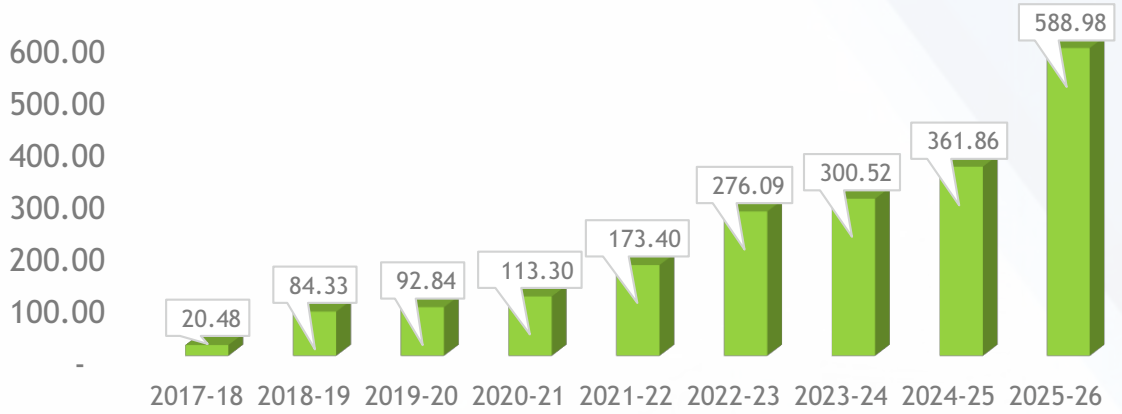
TANGIBLE NET WORTH (IN CRORES)



PBT, PAT (IN CRORES)

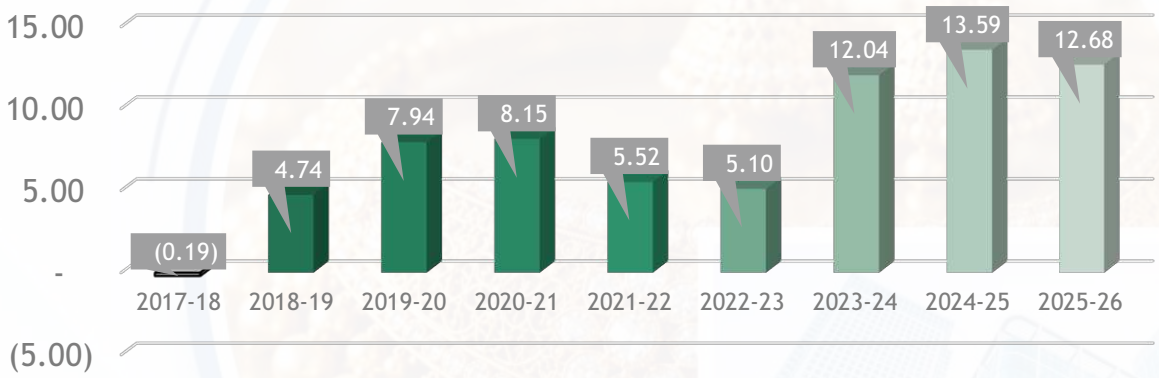


TOTAL ASSETS (IN CRORES)

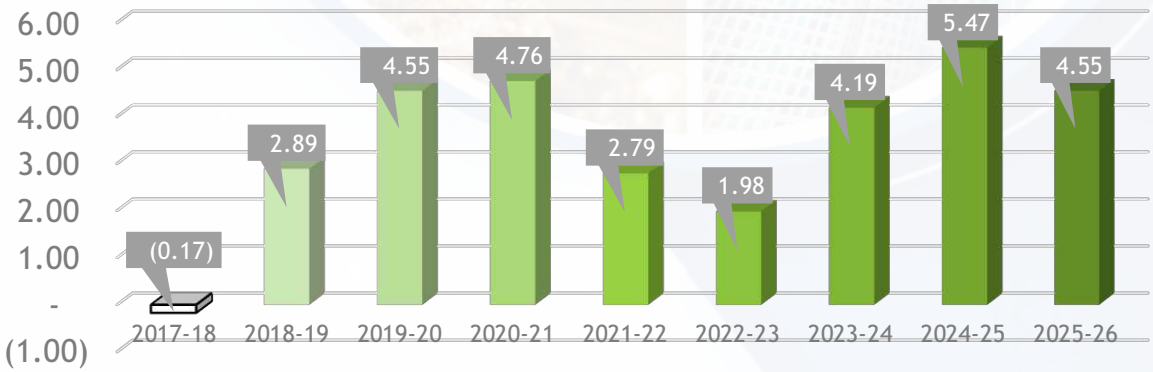


FINANCIAL PERFORMANCE HIGHLIGHTS
BUSINESS PARAMETERS

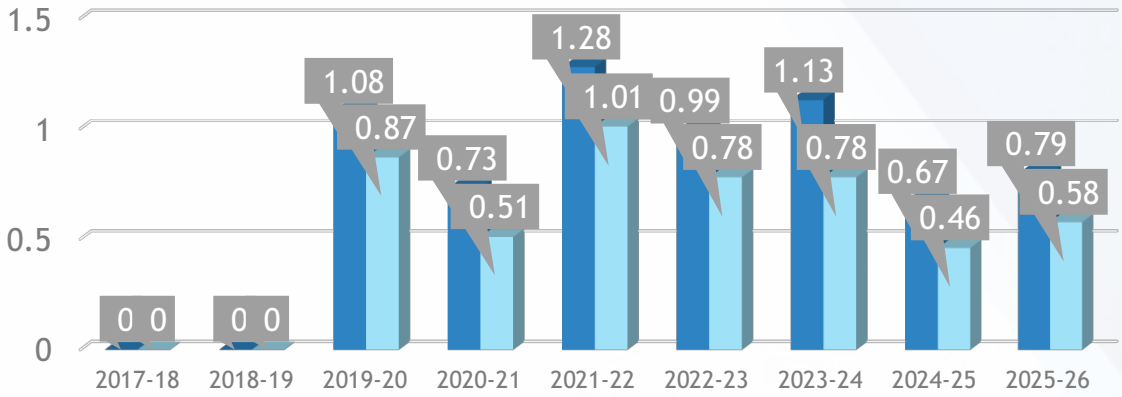
RETURN ON AVERAGE EQUITY (%)



RETURN ON AVERAGE ASSETS (%)

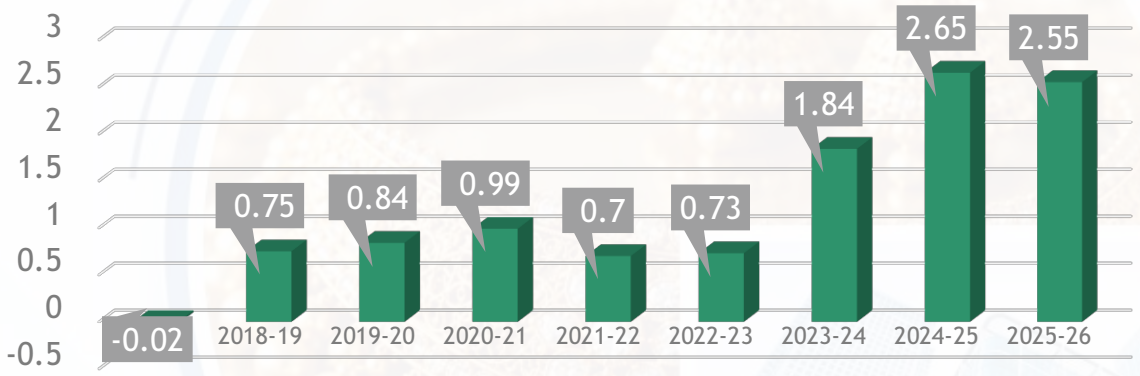


GNPA & NNPA (%)

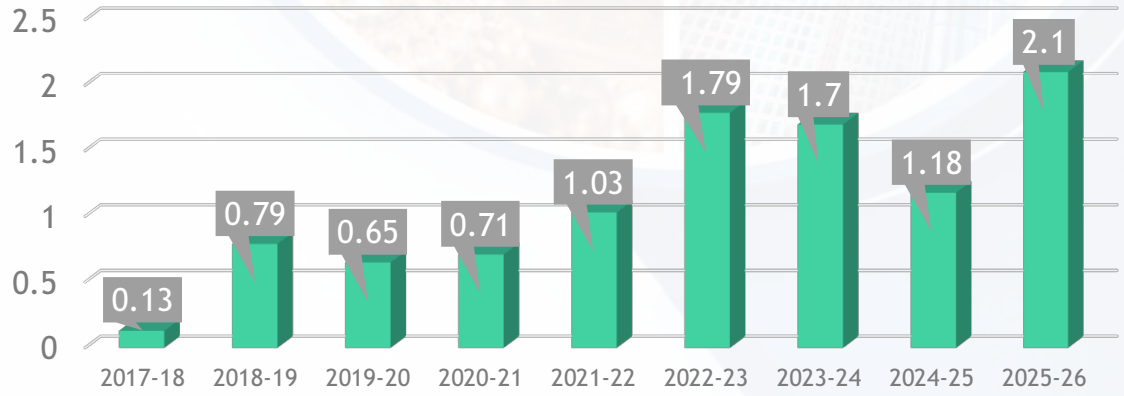


FINANCIAL PERFORMANCE HIGHLIGHTS
BUSINESS PARAMETERS

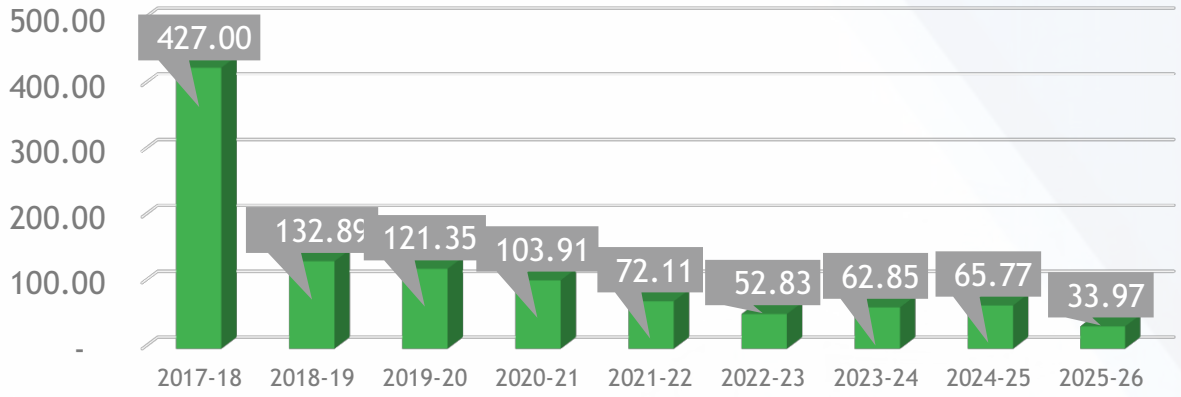
EARNING PER SHARE



DEBT-EQUITY RATIO

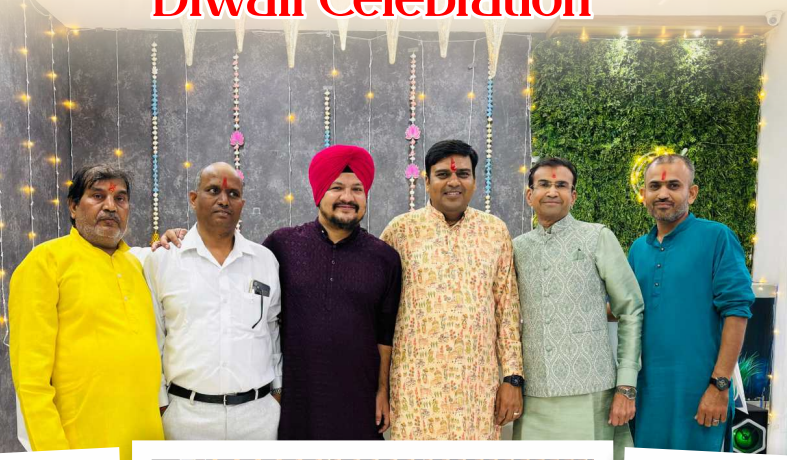


CRAR %



Memories at Glance

Diwali Celebration

















Happy Diwali

TOGETHER WE SHINE BRIGHTER

Memories at Glance

Women's Day Celebration





Holi Celebration



Memories at Glance

Glimpse of IFL Events





























Memories at Glance

New Branch Opening











NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 11th Annual General Meeting of IFL Finance Limited (Formerly known as IFL Housing Finance Limited) will be held on Monday, 28th September, 2026 at 11:00 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, 2026 including Audited Balance Sheet as on March 31, 2026, Cash Flow Statement and the Statement of Profit and Loss, for the financial year ended on March 31, 2026, along with the reports of the Board of Directors ('the Board') and the Auditors thereon.

2. TO APPOINT A DIRECTOR IN PLACE OF MR. ASHISH BANSAL (DIN: 06607944), WHO RETIRES BY ROTATION AND, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ashish Bansal (DIN: 06607944), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.**"**

Special Business:

3. TO RE-APPOINT MR. GOPAL BANSAL (DIN: 01246420) AS THE MANAGING DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, and 203, read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and subject to such other approvals as may be necessary, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Gopal Bansal (DIN: 01246420) as the Managing Director of the Company, for a further period of five consecutive years commencing from 28th June 2027 up to 27th June 2032, on the terms and conditions mutually agreed.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as may be necessary, expedient, or proper to give effect to this resolution, including but not limited to filing the necessary forms (such as Form MR-1 and Form MGT-14) with the Registrar of Companies (RoC), making appropriate entries in the statutory registers, and executing any agreements, deeds, or documents in connection therewith**."**

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

Place: New Delhi
Date: 05.09.2026

Sd/-
Shivani Jindal
Company Secretary

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 2025-26 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. Members 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: 05.09.2026

Sd/-
Shivani Jindal
Company Secretary

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

Item 3: TO RE-APPOINT MR. GOPAL BANSAL (DIN: 01246420) AS THE MANAGING DIRECTOR OF THE COMPANY

The current tenure of Mr. Gopal Bansal as the Managing Director of the Company is expiring on 27.06.2027. The Board of Directors, at its meeting held on 5 September 2026 based on the recommendation of the Nomination and Remuneration Committee, approved his re-appointment for a further period of five years, subject to the approval of the shareholders.

Mr. Gopal Bansal has provided visionary leadership, steering the company's key operational growth, strategic financial partnerships, and long-term business roadmap. Given his profound corporate acumen and extensive experience in the industry, the Board considers his continued leadership as Managing Director vital for accelerating the Company's strategic goals and ongoing growth plans.

The principal terms and conditions governing his re-appointment and remuneration package are detailed below:

1. Period of Appointment: 5 years with effect from 28 June 2027 up to 27 June 2032.
2. Management Powers: Mr. Gopal Bansal shall have the substantial powers of management of the affairs of the Company, subject to the superintendence, control, and direction of the Board of Directors.
3. Remuneration Details:

· Basic Salary: A consolidated remuneration of ₹2,50,003/- per month as determined by the Board/Nomination and Remuneration Committee.

· Perquisites & Allowances: He shall be entitled to standard perquisites and allowances including House Rent Allowance (HRA), medical insurance, and car with a driver for official use.

· Retiral Benefits: Company contributions to the Provident Fund, Superannuation Fund, or Annuity Fund as per policy, to the extent these are not taxable under the Income-tax Act, 1961, will not be counted toward his total remuneration ceiling. Gratuity payable shall be as per the prevailing policies of the Company and as per Payment of Gratuity Act, 1972.

· Minimum Remuneration: In case the Company faces an absence or inadequacy of net profits in any financial year during his tenure, the remuneration, perquisites, and allowances as specified above will be paid as minimum remuneration, strictly adhering to the applicable limits of Section II of Part II of Schedule V to the Companies Act, 2013.

Mr. Gopal Bansal satisfies all the statutory criteria set forth in Part I of Schedule V to the Act. He has filed his consent to act as a Director via Form DIR-2, updated disclosures under MBP-1, and non-disqualification clearance in Form DIR-8.

A brief profile of Mr. Gopal Bansal, including nature of his expertise, is provided as Annexure-I of this Notice.
Save and except Mr. Gopal Bansal and his relatives, none of the Directors, Key Managerial Personnel of the Company,or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.The Board recommends the Special Resolution set forth in Item No. 6 for approval by the members.
The information required to be provided in terms of Schedule V of the Companies Act, 2013 is given hereunder:

I. GENERAL INFORMATION:

1) Nature of Industry: Non-Banking Financial Company-Secured Lending.

2) Date of Commencement of Commercial Production/Operations: 01.01.2018

3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus: NOT APPLICABLE

4) Financial Performance based on given indicator:

(In Lakhs)

Particulars	FY 2025-26	FY 2024-25
Total Income	8570.16	7137.08
Less: Total Expenses	5636.79	4745.17
Profit/ (Loss) before tax	2933.37	2391.91
Less: Current tax	766.55	533.88
Deferred tax	4.03	45.28
Profit after Tax	2162.79	1812.75
Other Comprehensive Income	2.88	(1.35)
Transfer of Statutory Reserve (u/s 29C of NHB Act, 1987)	-	362.55
Transferred to Statutory Reserve under Section 45-IC of the RBI Act, 1934	432.56	-
Earnings per Share (Face Value Rs.10)	-	-
Basic (Rs.)	2.55	2.65
Diluted (Rs.)	2.55	2.65

5) Foreign Investments and Collaborations:The Company has not made any Foreign Investments and neither entered into any collaborations during the FY 2025-26

II. INFORMATION ABOUT THE APPOINTEE:

1) Background Details:
Mr. Gopal Bansal, aged 51 years, is a Chartered accountant having approx. 23 years of working experience in the field of Finance, portfolio management, taxation, treasury management, business takeovers, finance product designing, corporate law, mergers, asset recovery and asset restructuring.

2) Past Remuneration: Rs. 2,50,003/-

3) Recognition or Awards: None

4) Job Profile and his Suitability:
As Managing Director and Promoter, he directs strategic vision and overall operations to cultivate sustainable growth and long-term value. His leadership has been instrumental in scaling IFL Finance Limited (formerly IFL Housing Finance Limited), expanding its market reach, and delivering accessible financial solutions to a growing customer base.

5) Remuneration Proposed:
Salary at the rate of Rs. 2,50,003/- (Rupees Two Lacs Fifty Thousand and Three only) per month w.e.f 01.04.2024, which may be reviewed by the Board from time to time.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:
The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the gold finance industry and has been considered by the Nomination and Remuneration Committee of the Company at its meeting held on October 25, 2023. The profile of Mr. Gopal Bansal, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration and commensurate with the remuneration packages paid to their similar counterparts in other companies.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel:
Mr. Gopal Bansal is currently holding 25,93,430 shares in the Equity Share Capital of the Company in his personal capacity. Mr. Gopal Bansal is the Promoter of the Company.

III. OTHER INFORMATION:

1) Reasons of loss or inadequate profits: The Managerial Remuneration paid by the Company is well within the prescribed limits under Section 197 of Companies Act, 2013.
2) Steps taken or proposed to be taken for improvement: Refer point no.1 above.
3) Expected increase in productivity and profits in measurable terms: Refer point no.1 above.

Annexure-I to the Notice

Additional Information of Director seeking appointment/re-appointment at the 11th Annual General Meeting pursuant to Secretarial Standards on General Meetings.

Name of the Director	**Mr. Gopal Bansal**	**Mr. Ashish Bansal**
Date of Birth	13/09/1975	11/02/1987
Qualifications	Chartered Accountant	Chartered Accountant
Remuneration last drawn (In Rupees)	2,50,003/-	NIL
Experience (including expertise in specific functional area)	Finance, portfolio management, taxation, treasury management, business takeovers, finance product designing, corporate law, mergers, asset recovery and asset restructuring	Finance, law and project finance, taxation, accounts and underwriting.
Brief Profile	An experienced professional, Mr. Gopal Bansal strategies and directs the company towards the path of fulfilling its mission and goals. Under his guidance, IFL has managed to offer assistance to a plethora of individuals and works to increase the number in the years to come. Mr. Bansal has been a part of the M/s India Finsec Limited family for over a decade. He plays an imperative role as a Promoter and Director of the company. It's his profound knowledge and skills that have enabled M/s India Finsec Limited to function with Zero NPA and have accelerated the growth rate.	Owing to his financial and managerial skills, he plays an important role in the strategic team and is responsible for ensuring that the company achieves its goals and obligations. He has contributed significantly to several decision-making processes that have led the company to new heights.
Terms and Conditions of Appointment/ Reappointment	Mr. Gopal Bansal is re-appointed as the Managing Director of the Company for the tenure of five years.	Mr. Ashish Bansal is re-appointed who is liable to retire by rotation at the ensuing 11th Annual General Meeting
Name of other Public Companies in which the person holds the Directorships	INDIA FINSEC LIMITED	UNLISTO SECURITIES LIMITED
Name of the Public Companies in which the person holds the Memberships of committees of the Board	INDIA FINSEC LIMITED	UNLISTO SECURITIES LIMITED
Shareholding in the Company (Equity)	7393430 equity shares as on 05.06.2026	-
Relationship with other Directors/Manager/Key Managerial Personnel	-	-
Number of Board Meetings attended during the FY 2025-26	42 out 42	42 out 42

Relationship with other Directors/Manager/Key Managerial Personnel	**Husband of Mrs. Sunita Bansal (Whole Time Director)**
Number of Board Meetings attended during the FY 2025-26	**42 out 42**

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

Place: New Delhi
Date: 05.09.2026

Sd/-
Shivani Jindal
Company Secretary

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 (Formerly known as IFL Housing Finance Limited)
Registered Office: D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, 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 Annual General Meeting of the Company to be held on MONDAY, 28TH DAY OF SEPTEMBER, 2026 AT 11.00 A.M. at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085 and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Ordinary Resolution
1.	ADOPTION OF AUDITED FINANCIAL STATEMENTS
2.	TO APPOINT A DIRECTOR IN PLACE OF MR. ASHISH BANSAL (DIN: 06607944), WHO RETIRES BY ROTATION AND, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

Resolution No.	Special Resolution
3.	TO RE-APPOINT MR. GOPAL BANSAL (DIN: 01246420) AS THE MANAGING DIRECTOR OF THE COMPANY

Signed this..... Day of.....2026.

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.

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 Annual General Meeting of the Shareholders of IFL Finance Limited (Formerly known as IFL Housing Finance Limited) held on MONDAY, 28TH DAY OF SEPTEMBER, 2026 AT 11.00 A.M. at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, 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.

***Applicable for shareholders holding shares in electronic form.**

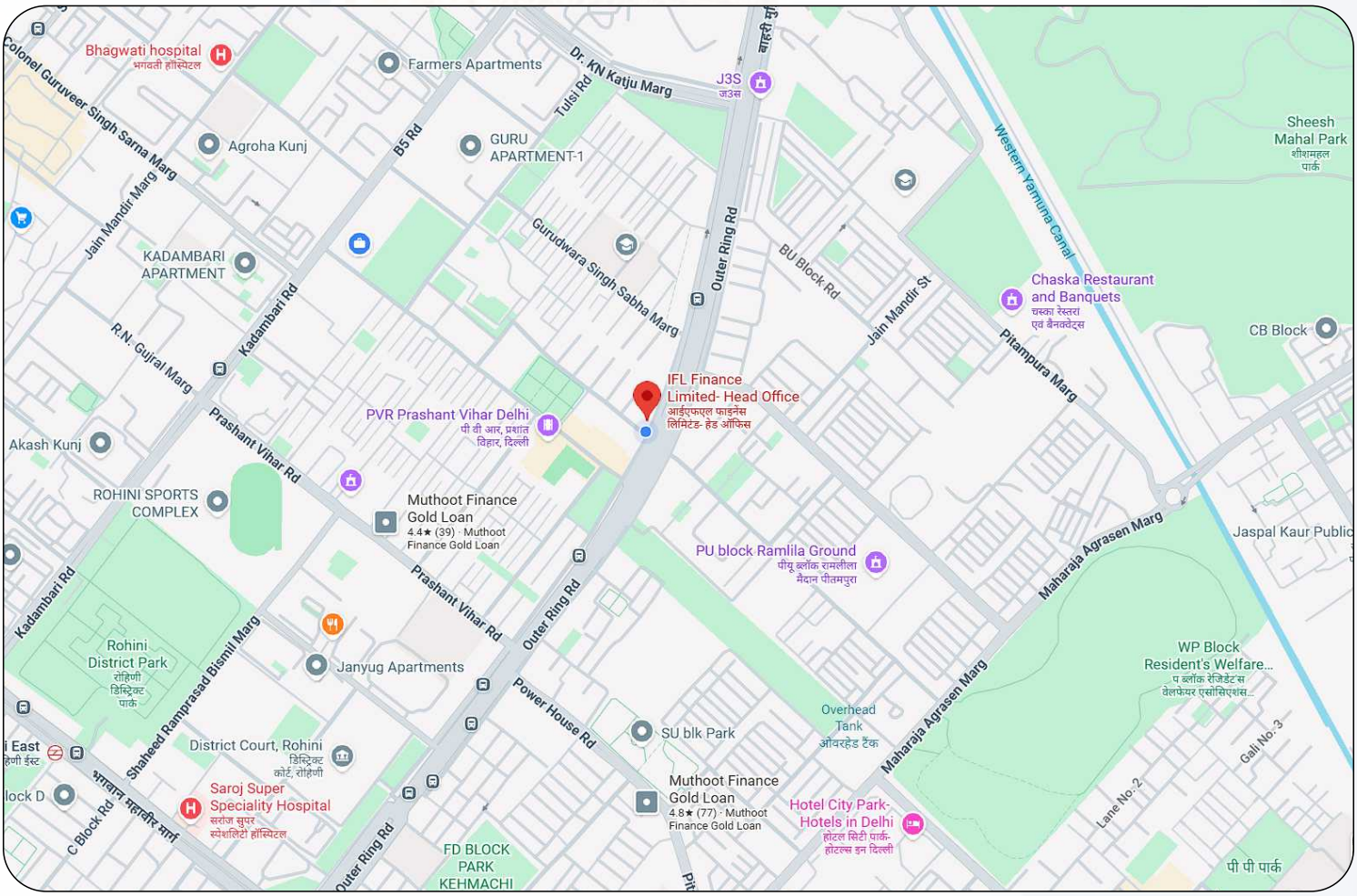
ROUTE MAP TO THE VENUE OF AGM

Name of the Company:

IFL Finance Limited (Formerly known as IFL Housing Finance Limited)

Registered Office:

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



Board Report



BOARD REPORT

Dear Shareholders,

Your Directors are pleased to present the 11th 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 31 March, 2026.

Your Company, IFL Finance Limited (Formerly known as IFL Housing Finance Limited) (the Company') is registered with the Reserve Bank of India as Non-Banking Financial Company- ICC Base Layer. The company's current strategic focus is on the gold loan segment.

1. OVERVIEW & STATE OF THE COMPANY'S AFFAIRS

The financial statements for the financial year ended March 31, 2026, 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. 8570.16/- Lakhs- as compared to Rs.7137.08/- Lakhs in the previous year, recording an increase of 20.08%.

Total expenses during the year were Rs. 5636.79/- Lakhs as compared to Rs. 4745.17/- Lakhs in the previous year, an increase of 18.79%.

During the year, the Company has earned a Profit before Tax of Rs. 2933.37/- Lakhs as compared to Rs. 2391.91/- Lakhs in the previous year, recording an increase of 22.63%. The Profit after Tax during the year was Rs. 2162.79/- Lakhs as compared to Rs. 1812.75/- Lakhs in the previous year, an increase by 19.31%.

The tangible Net worth of the Company has increased from Rs. 17,909.45/- Lakhs as on 31st March 2026 to Rs. 15,726.08/- Lakhs as on 31st March 2025.

2. FINANCIAL PERFORMANCE

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

(RS. IN LAKHS)

PARTICULARS	FOR THE YEAR ENDED 31.03.2026	FOR THE YEAR ENDED 31.03.2025
Revenue from Operations	8570.16	7137.08
Expenses for the period	5636.79	4745.17
Profit/(Loss) before tax from continuing Operations	2933.37	2391.91
Current Income Tax for the period	766.55	533.88
Deferred Tax	4.03	45.28
Profit/(Loss) for the period	2162.79	1,812.75

Transferred to Statutory Reserve under Section 29C of the NHB Act, 1987	-	**362.55**
Transferred to Statutory Reserve under Section 45-IC of the RBI Act, 1934	**432.56**	-

3. DIVIDEND

In order to conserve resources for better growth opportunity, your directors have not recommended any dividend for the financial year ended 31st March, 2026.

4. TRANSFER TO RESERVES

During the year under review, your Company transferred Rs. 432.56 Lakhs to the Statutory Reserve under Section 45-IC of RBI Act, 1934 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 (CRISIL Triple B with Stable Outlook) from CRISIL Ratings Limited.

6. REVISION OF FINANCIAL STATEMENTS

There was no revision in the Financial Statements of the financial year ended 31st March, 2026.

7. CHANGE IN THE NATURE OF BUSINESS

There is no significant change in the nature of business. However, in FY 2024-25, 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). 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.

As part of its strategic realignment, the Company shifted its primary focus from housing finance to gold loans. No housing loans were disbursed since FY 2024-25. The gold loan portfolio witnessed robust growth, increasing from ₹210.52 crore in FY 2024-25 to ₹435.08 crore in FY 2025-26. The Company also expanded its branch network from 33 to 44 gold loan branches, strengthening its market presence and supporting future growth.

8. MATERIAL CHANGES AND COMMITMENTS

There has been no material change affecting the financial position of the Company during the financial year 2025–26. However, the Company underwent a significant structural and regulatory transition, whereby its status was changed from a Housing Finance Company (HFC) to a Non-Banking Financial Company– Investment and Credit Company (NBFC-ICC) with effect from 26 June 2025, pursuant to the Certificate of Registration granted by the Reserve Bank of India.

9. DEBENTURES

The Company successfully completed five private placement issuances of Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) During the financial year 2026–27, the Company successfully completed two private placements of unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures (NCDs) of face value ₹10,000 each. The first issuance comprised 50,000 NCDs, which were listed on the National Stock Exchange of India Limited (NSE) on May 20, 2026. Subsequently, the Company allotted 40,000 NCDs on July 10, 2026, which were listed on the NSE on July 13, 2026, in accordance with the applicable regulatory requirements.

- The Company undertook its inaugural private placement of 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, redeemable, non-convertible debentures (NCDs). Each NCD has a face value of INR 10,000 (Indian Rupees Ten Thousand), with an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety-Eight Lakh). In compliance with applicable regulatory requirements, these NCDs were listed on the National Stock Exchange (NSE) on November 21, 2025.

- The Company undertook its second private placement of 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, redeemable, non-convertible debentures (NCDs). Each NCD carries a face value of INR 10,000 (Indian Rupees Ten Thousand), with an aggregate nominal value of INR 16,00,00,000 (Indian Rupees Sixteen Crore). In compliance with applicable regulatory requirements, these NCDs were listed on the National Stock Exchange (NSE) on January 20, 2026.

- The Company undertook its third private placement of 30,000 (Thirty Thousand) unsubordinated, secured, listed, rated, redeemable, non-convertible debentures (NCDs). Each NCD carries a face value of INR 10,000 (Indian Rupees Ten Thousand), with an aggregate nominal value of INR 30,00,00,000 (Indian Rupees Thirty Crore). In compliance with applicable regulatory requirements, these NCDs were listed on the National Stock Exchange (NSE) on January 30, 2026.

- The Company undertook its fourth private placement of 40,000 (Forty Thousand) unsubordinated, secured, listed, rated, redeemable, non-convertible debentures (NCDs). Each NCD carries a face value of INR 10,000 (Indian Rupees Ten Thousand), with an aggregate nominal value of INR 40,00,00,000 (Indian Rupees Forty Crore). In compliance with applicable regulatory requirements, these NCDs were listed on the National Stock Exchange (NSE) on February 27, 2026.

- The Company undertook its fifth private placement of 40,000 (Forty Thousand) unsubordinated, secured, listed, rated, redeemable, non-convertible debentures (NCDs). Each NCD carries a face value of INR 10,000 (Indian Rupees Ten Thousand), with an aggregate nominal value of INR 40,00,00,000 (Indian Rupees Forty Crore). In compliance with applicable regulatory requirements, these NCDs were listed on the National Stock Exchange (NSE) on March 13, 2026.

- During the current financial year (FY 2026–27), the Company successfully undertook an additional private placement of up to 50,000 unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures (NCDs). This allocation consisted of a fresh issue of 25,000 debentures alongside a green shoe option of up to 25,000 debentures. With a face value of INR 10,000 each, the issue aggregated to a total nominal value of up to INR 50,00,00,000. The Company have allotted 50,000 NCDs in this issuance. These NCDs were listed on the National Stock Exchange (NSE) on May 20, 2026, in accordance with regulatory guidelines.

10. UTILIZATION OF PROCEEDS OF NON-CONVERTIBLE DEBENTURES

In accordance with the provisions of Regulation 52(7) of the SEBI (Listing Obligations and DisclosureRequirements) Regulations, 2015, the Company hereby confirms the following with respect to the utilization of proceeds from the issuance of Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) on a Private Placement basis:

• The proceeds raised from the issuance and allotment of the NCDs were intended to be utilized for on lending purposes, specifically toward originating loans secured by the pledge of gold ornaments/jewel.
• As of the date of this report, the entire amount raised has been fully utilized for theaforementioned purposes, with no deviation or variation in the end-use of funds.

The details of the Debenture Trustee of the Company are as under:
CATALYST TRUSTEESHIP LIMITED,
Unit No- 901, 9th Floor, Tower– B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W), Mumbai– 400013
Website: www.catalysttrustee.com

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

Following RBI approval, the Company successfully converted to an NBFC–ICC on June 26, 2025, rebranding as IFL Finance Limited. While this transition has no impact on the Company's going concern status, it successfully unlocks broader growth opportunities with a primary strategic emphasis on scaling our gold loan business.

12. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

During FY 2025-26, 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.

13. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

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

14. 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.

15. 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.

16. 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) is re-appointed by the members at the 8th Annual General Meeting held on June 20, 2023 as the statutory Auditor of the Company for a period of five years upto the conclusion of 13th Annual General Meeting to be held in the year 2028.

The Company has received a letter from them to the effect that their re-appointment is 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.

AUDITOR'S REPORT

All Observations made in the Auditor's 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 2025-26. Further, there were no frauds reported by the auditor pursuant to sub-section (12) of section 143 of the Companies Act, 2013.

SECRETARIAL AUDITOR

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, 2026. The Secretarial Audit Report in Form MR-3 for the financial year 2025-26 forms part of this Report as Annexure-I. The Report do not contain any qualification, observation, reservation, adverse remark or disclaimer.

INTERNAL AUDITOR

Pursuant to provisions of Section 138 read with rules made there under, M/s Mukesh M. Gupta & Associates, Chartered Accountant, was appointed as an Internal Auditor for the financial year 2026-27 to check the internal controls and functioning of the activities of the Company and also recommends way to improvement.

Mrs. Rajni, Chartered Accountant, who was appointed for the FY 2025-26 as an Internal Auditor, have provided Internal Audit Report of the Company for the financial year ended March 31, 2026. 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.

17. SHARE CAPITAL

The Authorized share capital of the Company is Rs. 12,500.00/- Lakhs divided into 1,250.00 Lakhs equity shares of face value of Rs. 10/- each.

The Authorised Share Capital of the Company was increased from ₹100 Crore to ₹125 Crore pursuant to the approval of the shareholders at the Extraordinary General Meeting held on 25 April 2026.

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 2025-2026.

F. ISSUE OF BONUS SHARES

The Company has not issued any bonus shares during the financial year 2025-2026.

G. ISSUE OF RIGHT SHARES

The Company have not issued any right shares during the financial year 2025-2026

18. 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 31.03.2026	FOR THE YEAR ENDED 31.03.2025
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

19.CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR), under section 135(1) of the Companies Act, 2013 is applicable to theCompany 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.

20.STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declarations from each Independent Directors 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 Section149(6) of the Companies Act,2013.

21.SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

Pursuant to the requirement of Schedule IV of the Companies Act, 2013, a separate meetingof Independent. Directors of the Company was held on 27 March,2026 without the attendance of non-independent directors and members of management. All independent directors were present in the meeting.

22.DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March,2026 along with current position, the Board of the Company was duly constituted in accordance with the provisions of the Companies Act 2013.

S. No.	NAME OF THE DIRECTOR	DESIGNATION	DIN/PAN	DATE OF APPOINTMENT/ RESIGNATION CHANGE IN DESIGNATION
1	Mr. Gopal Bansal	Managing Director	01246420	25.03.2017
2	Mrs. Sunita Bansal *	Whole-Time Director	02801660	20.08.2025
3	Mr. Ashish Bansal**	Non-Executive Director	06607944	20.08.2025
4	Ms. Kriti Suri	Whole-Time Director	09258479	07.08.2021
5	Mr. Devi Dass Agarwal	Independent Director	09152596	07.08.2021
6	Mr. Amit Kumar Agarwal#	Independent Director	08768575	07.07.2025
7	Mrs. Pinki Sharma***	Independent Director	11194389	20.08.2025
8	Ms. Khushboo Nilesh Rawat##	Independent Di rector	09155098	09.06.2026
9	Ms. Prerna Matta Arora	Chief Financial Officer	BAMPM7236C	01.11.2022
10	Ms. Shivani Jindal****	Company Secretary	BSNPJ5687C	09.09.2024

*Change in designation w.e.f. 20.08.2025,
**Change in designation w.e.f. 20.08.2025,
***Change in designation w.e.f. 20.08.2025 and resigned w.e.f 06.06.2026
#resigned w.e.f. 07.07.2025
##Appointed w.e.f. 06.06.2026 and change in designation w.e.f. 09.06.2026.
****Change in designation w.e.f. 20.07.2026
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 Section164(2) of the Companies Act, 2013 and are not debarred from holding the office of Director by virtue of any other such authority.

23.CHANGES AMONG DIRECTORS AND KMP

Directors

During the period under review, following changes took place:

S.No	Name of the Director	DIN	Appointment/Cessation/Change in Designation	Designation	Date of Change
1.	Amit Kumar Agarwal	08768575	Resigned	Independent Director	07.07.2025
2.	Pinki Sharma	11194389	Appointed	Additional Independent Director	17.07.2025
3.	Sunita Bansal	02801660	Change in Designation	Non-Executive director to Whole-Time Director	20.08.2025
4.	Ashish Bansal	06607944	Change in Designation	Whole-Time Director to Non-Executive Director	20.08.2025
5.	Pinki Sharma	11194389	Change in Designation	Additional Independent Director to Independent Director	20.08.2025
6.	Pinki Sharma	11194389	Resigned	Independent Director	06.06.2026
7.	Khushboo Nilesh Rawat	09155098	Appointed	Additional Independent Director	06.06.2026
8.	Khushboo Nilesh Rawat	09155098	Change in Designation	Independent Director	09.06.2026
9.	Shivani Jindal	BSNPJ5687C	Change in Designation	From Chief Compliance Officer to Compliance Officer	20.07.2026

24. 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.

25. NUMBER OF MEETINGS OF THE BOARD

During the year under review, the Board of Directors of the company met Forty Two (42) times viz on 08.04.2025, 15.04.2025, 29.04.2025, 22.05.2025, 23.06.2025, 27.06.2025, 28.06.2025, 07.07.2025, 15.07.2025, 17.07.2025, 23.07.2025, 30.07.2025, 07.08.2025, 11.08.2025, 20.08.2025, 25.08.2025, 08.09.2025,13.09.2025, 24.09.2025, 10.10.2025, 16.10.2025, 27.10.2025, 12.11.2025, 14.11.2025,18.11.2025, 01.12.2025, 17.12.2025, 31.12.2025, 07.01.2026, 16.01.2026, 21.01.2026, 27.01.2026, 28.01.2026, 29.01.2026, 13.02.2026, 20.02.2026, 25.02.2026, 05.03.2026, 12.03.2026, 17.03.2026, 26.03.2026 and 30.03.2026

26. BOARD COMMITTEES AND NUMBER OF MEETINGS OF BOARD COMMITTEES

As on March 31, 2026, the Board has following statutory Board committees in the Company:

- **Audit Committee**
- **Nomination and Remuneration Committee**

S.No	Committee	No. of Meetings	Dates
1.	Audit Committee	6	08.04.2025 12.05.2025, 22.05.2025, 30.07.2025, 10.10.2025 & 16.01.2026
2.	Nomination & Remuneration Committee	7	15.04.2025, 07.07.2025, 17.07.2025, 23.07.2025, 25.08.2025, 16.10.2025 & 26.03.2026

The details of composition, terms of reference and number of meetings conducted during the year is provided in the Corporate Governance Report annexed to this Annual Report.
During the year, all recommendations made by the committees were approved by the Board.

Apart from above said statutory committees of the Board, the company for operational efficiency has constituted certain non-statutory Board/Non-Board Committee.

- **Risk Management Committee**
- **Asset and Liability Management Committee**
- **Special Committee to monitor and follow-up**
- **IT Strategy Committee**
- **Identification Committee**
- **Review Committee**
- **Internal Complaint Committee**
- **IPO Committee**

Stakeholder Relationship Committee is constituted by the Board in the Board Meeting held on 9th June 2026.

27. 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.

28. 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 good 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.

29. 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.

30. 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.

31. 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.

32. 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.

33. COMPLIANCE WITH THE MATERNITY BENEFIT ACT

During the year under review, the Company remained fully compliant with the provisions of the Maternity Benefit Act, 1961, with two maternity leave cases recorded and two other maternity leave cases currently ongoing.

34. FRAUD REPORTING

There were no material fraud cases reported during the FY 2025-26, as per the provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013 to the regulatory authorities.

35. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Details of the loans given, guarantees given and security provided covered under the provisions of Section 186 of the Companies Act, 2013 are set out in the notes to the financial statements of the Company for the year ended March 31, 2026.

36. PARTICULARS OF CONTRACTS OR ARANGMENTS 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 RBI circular, a policy on Transactions with Related Parties is given as 'Annexure IV' to this report.

37. 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.

Refer 'Management Discussion and Analysis Report' for detailed elaboration on risk management undertaken by the Company.

38. 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 Asset Liability Management (ALM) Guidelines applicable to NBFC- ICC.

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 RBI. As at March 31, 2026, 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.

39. 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, 2026, 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, 2026 and the statement of Profit & Loss Account for the financial year ended 31st March, 2026;

(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.

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

During the year under review, the Company auctioned 1114 Number of loan accounts (March 31,2025: 1020 Number of loan accounts). The outstanding dues on these loan accounts were Rs. 400.19 Lakhs (March 31,2025: Rs. 467.15 Lakhs) exclusive of GST till the respective date of auction. The Company realized Rs. 498.75 Lakhs (March 31, 2025: Rs. 501.13 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.

41. GROUP STRUCTURE

Diagrammatic representation of group structure as per RBI Master Directions is as under:-

Parent Company	INDIA FINSEC LIMITED
Subsidiary Company	IFL FINANCE LIMITED

42. REGULATORY COMPLIANCE

IFL Finance Limited is a public unlisted Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC), classified under the Base Layer. The Company operates under the Certificate of Registration (CoR) No. N-14.03651, issued by the Reserve Bank of India (RBI) on June 26, 2025, following its successful conversion from a Housing Finance Company (HFC) to an NBFC-ICC.

Furthermore, as an issuer of Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) privately placed and listed on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited (NSE), the Company complies with the applicable disclosure benchmarks of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company remains in strict compliance with all applicable statutory and regulatory frameworks governing debt-listed financial institutions in India, including but not limited to:

1. Reserve Bank of India (RBI) Directions: Continuous compliance with prudential, scale based regulations for NBFC-ICC Base Layer entities, including the Fair Practices Code (FPC) and outsourced vendor frameworks.

2. SEBI Frameworks: Strict adherence to disclosure, corporate governance, and continuous listing benchmarks under the SEBI (LODR) Regulations, 2015 and SEBI (NCS)Regulations, 2021 for debt-listed entities.

3. The Companies Act, 2013: Compliance with corporate governance parameters, secretarial standards, and administrative rules prescribed by the Ministry of Corporate Affairs (MCA).

4. Prevention of Money Laundering Act (PMLA), 2002: Robust deployment of anti-money laundering policies, reporting infrastructure with FIU-IND, and digital customer identity uploads via CKYCR (CERSAI) within statutory timelines.

5. Information Utility Submissions (IBC, 2016): Mandatory submission of credit data and financial information to National E-Governance Services Limited (NeSL), ensuring formal documentation of debt in accordance with Section 215 of the Insolvency and Bankruptcy Code, 2016.

6. Asset Recovery Laws: Legal empowerment to enforce security interests and initiate recovery actions under the SARFAESI Act, 2002.

43. 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 Reserve Bank of India. 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.

https://www.iflfinanceltd.com/src/assets/pdfs/corporate-governance/Corporate-Governance Policy.pdf

44. 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, 2026 is displayed on the website of the Company at www.iflfinanceltd.com

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

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

46. 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.

47. 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.

48. ACKNOWLEDGEMENT

Your Board of Directors would like to place on record their sincere gratitude to the Regulators, Reserve Bank of India, Registrar of Companies, SEBI, Stock Exchange, Ministry of Corporate Affairs, all Bankers to the Company, Central & State government departments, Tax Authorities, Registrars, other stakeholders, customers and all other business associates for their continued support during the year under report.

49. 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 claim 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)

Sd/-
Gopal Bansal
Managing Director
DIN : 01246420

Place: New Delhi
Date: 05.09.2026

Sd/-
Sunita Bansal
Whole Time Director
DIN : 02801660

Place: New Delhi
Date: 05.09.2026

Annexure-I

SECRETARIAL AUDIT REPORT

Form No. MR-3
for the Financial Year Ended 31.03.2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
IFL FINANCE LIMITED
(Formerly known as IFL Housing 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, 2026, (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, 2026 (audit period) according to the provisions of:

I. The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made thereunder;

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 :

a. 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 there to;
b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
c. 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;
d. 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;
e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

VI. Other laws applicable to the Company:-

Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, 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.
(iii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

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 dissentingviews have been recorded.

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

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

Sd/-
Sarita Singh
(Proprietor)
M. No-55937
COP-24682
UDIN- A055937H000693431

Date: 26.06.2026
Place: Hyderabad

*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
(Formerly known as IFL Housing 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.

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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

Sd/-
Sarita Singh
(Proprietor)
M. No-55937
COP-24682
UDIN- A055937H000693431

Date: 26.06.2026
Place: Hyderabad

Annexure-II

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 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 15,40,65,136/-

7. (a) Two percent of average net profit of the company as per section 135(5)

Rs. 30,81,303/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years

N/A

(c) Amount required to be set off for the financial year, if any

Rs.3785.90/-

(d) Total CSR obligation for the financial year { 7(a)+ 7(b)+ 7(c) }

Rs. 3077517.10/-

CSR SYNOPSIS

Committed to responsible corporate citizenship, the Company actively contributes to the progress of society. During the financial year, in compliance with the Companies Act, 2013, and our established CSR policy, we executed targeted programs designed to foster sustainable and inclusive growth.

Ekal Shrihari Vanvasi Foundation









Guided by its vision for holistic community development and cultural empowerment, IFL Finance Limited partnered with the Shrihari Vanvasi Foundation to support spiritual education and meditation initiatives across tribal communities in Dehra. Recognizing the vital role of traditional values and mental well-being in sustainable development, IFL Finance's CSR contribution helps preserve indigenous culture while promoting stress reduction, mindfulness, and social harmony among marginalized tribal groups. Through this initiative, the company continues its commitment to driving inclusive social progress and uplifting underserved populations.

Lala Kundan Lal Memorial Society







Guided by its vision for holistic community development and cultural empowerment, IFL Finance Limited partnered with the Shrihari Vanvasi Foundation to support spiritual education and meditation initiatives across tribal communities in Bhuna. Recognizing the vital role of traditional values and mental well-being in sustainable development, IFL Finance's CSR contribution helps preserve indigenous culture while promoting stress reduction, mindfulness, and social harmony among marginalized tribal groups. Through this initiative, the company continues its commitment to driving inclusive social progress and uplifting underserved populations.

Rajasthan Millenium Club











Driven by the belief that every child deserves a conducive learning environment, IFL Finance extended its CSR outreach to schools in Alwar, Rajasthan. To help address foundational infrastructure and learning needs, the organization donated 10 ceiling fans, 10 stationery supply kits, and athletic jerseys to local students. By combining classroom infrastructure improvements with essential study tools and sports gear, IFL Finance aims to reduce barriers to quality education, boost student morale, and encourage holistic development through both academics and sports.

Shree Krishan Gaushala









As part of its commitment to environmental sustainability and animal welfare, IFL Finance Limited supported local animal care initiatives by sponsoring nutritious food and high-grade fodder for cattle housed at the local Gau Shala. Recognizing the essential role cattle play in rural agrarian ecosystems, IFL Finance's CSR contribution ensures that rescued, aging, and vulnerable livestock receive proper nutrition and humane care. This initiative aligns with the company's broader mission to drive inclusive community well-being by protecting animals, supporting sustainable rural livelihoods, and promoting compassionate social responsibility.

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. 30,81,000/-	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 TRANSFERED TO UNSPENT CSR ACCOUNT FOR THE PROJECT AS PER SECTION 135 (6) (IN RS.	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:

SL. No	(a.)	(b.)	(c.)	(d.)		(e.)	(f.)	(g.)	
SL. No	NAME OF THE PROJECT	ITEM FROM THE LIST OF ACTIVITIES IN SCHEDULE VII TO THE ACT.	LOCAL AREA (YES/NO)	AMOUNT SPENT FOR PROJECT.		AMOUNT SPENT FOR PROJECT (IN RS.)	MODE OF IMPLEMETATION -DIRECT (YES/NO).	MODE OF IMPLEMETATION - THROUGH IMPLEMENTING AGENCY	
				STATE	DISTRICT			NAME	CSR REGISTRATION NUMBER
1.	Animal Welfare	Animal Welfare	No	Paota, Jaipur, Rajasthan		Rs.2,31,000/-	Yes	Shree Krishna Gaushala	CSR00073802
2.	Promoting Edu./ Special Edu.	Promoting Edu./ Special Edu.	No	Rajasthan Millenium Club, Alwar, Rajasthan		Rs.1,00,000/-	No	Through implementing agency Rajasthan Millenium Club, New Delhi	CSR00053637
3.	Upliftment of tribals and education	Upliftment of tribals and education	No	Ekal Shrihari Vanvasi Foundation, Dehra, North Himachal Pradesh		Rs.1,50,000/-	No	Through implementing agency Ekal Shrihari Vanvasi Foundation, Mumbai	CSR00057410
4.	Promoting Edu./ Special Edu.	Promoting Edu./ Special Edu.	No	Lala Kundan Lal Memorial Society, Bhuna, Haryana		Rs.26,00,000/-	No	Through implementing agency Lala Kundan Lal Memorial Society, Haryana	CSSR00009929

(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.30,81,303/-

SL.No	PARITICULAR	AMOUNT (IN RS.)
(I)	CSR Obligation	30,77,517.10/-
(ii)	Total amount spent for the Financial Year	30,81,000/-
(iii)	Excess amount spent for the financial year [(ii)-(I)]	3,482.90
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(vii)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(3,482.90)

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)

Sd/-
Gopal Bansal
Managing Director
DIN : 01246420

Sd/-
Sunita Bansal
Whole Time 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 RELATIONSHIP	NATURE OF CONTRACTS/ ARRANGEMENTS /TRANSACTIONS	DURATION OF CONTRACT	SALIENT TERMS, if any	DATE OF APPROVAL BY THE BOARD, IF ANY	AMOUNT (IN LAKHS)
Gopal Bansa(HUF)	Rent Paid	Eleven Months	As per Rent Agreement	29.04.2023	9.00
Sunita Bansal	Rent Paid	Eleven Months	As per Rent Agreement	29.04.2023	9.00
	Remuneration		–	28.10.2024	20.51

Gopal Bansal	Remuneration	-	-	25.10.2023	29.30
Kriti Suri	Remuneration & Conveyance	-	-	07.08.2021	10.86
Ashish Bansal	Remuneration	-	-	07.08.2021	5.67
Charu Bansal	Professional Fees	-	-		9.60
Geetanjali Bansal	Professional Fees	-	-	-	7.92
Prerna Matta Arora	Remuneration	-	-	-	28.50
Shivani Jindal	Remuneration	-	-	-	8.38
India Finsec Limited	Commission Paid for Bank Guarantee	-	-	-	

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
Whole Time Director
DIN : 02801660

Annexure-IV

POLICY ON RELATED PARTY TRANSACTIONS

1. PREAMBLE

IFL Finance Limited ("the Company") recognizes that transactions with Related Parties may give rise to actual or perceived conflicts of interest. The Company is committed to ensuring that all Related Party Transactions are conducted in a transparent manner, at arm's length basis, in the ordinary course of business, and in compliance with the provisions of the Companies Act, 2013, applicable rules framed thereunder, accounting standards, and other applicable laws and regulations.

This Policy has been adopted by the Board of Directors to establish a framework for the identification, approval, review, monitoring, and disclosure of Related Party Transactions and to ensure that such transactions are in the best interests of the Company and its stakeholders.

2. OBJECTIVE

The objectives of this Policy are to:

a) Establish a governance framework for Related Party Transactions;
b) Ensure compliance with the provisions of Sections 177, 184 and 188 of the Companies Act, 2013 and rules made thereunder;
c) Ensure that Related Party Transactions are conducted on an arm's length basis and in the ordinary course of business wherever applicable;
d) Prevent conflicts of interest and protect the interests of the Company and its stakeholders;
e) Prescribe the process for obtaining approvals for Related Party Transactions; and
f) Ensure proper disclosure and reporting of Related Party Transactions.

3. APPLICABILITY

This Policy shall apply to all Related Party Transactions entered into by the Company with any Related Party as defined under the Companies Act, 2013 and other applicable laws, as amended from time to time.

4. DEFINITIONS

4.1 Related Party

"Related Party" shall have the meaning assigned to it under Section 2(76) of the Companies Act, 2013 and any amendment or modification thereof.

4.2 Related Party Transaction

"Related Party Transaction" means any transaction, contract or arrangement between the Company and a Related Party, including transactions specified under Section 188(1) of the Companies Act, 2013.

4.3 Arm's Length Transaction

"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.

4.4 Ordinary Course of Business

"Ordinary Course of Business" means transactions undertaken by the Company in the normal course of its business activities as contemplated under its Memorandum of Association and in accordance with established business practices

4.5 Audit Committee

"Audit Committee" means the Audit Committee constituted by the Board of Directors pursuant to Section 177 of the Companies Act, 2013.

4.6 Board

"Board" means the Board of Directors of the Company.

4.7 Key Managerial Personnel

"Key Managerial Personnel" or "KMP" shall have the meaning assigned under Section 2(51) of the Companies Act, 2013.

Any term not defined herein shall have the meaning assigned under the Companies Act, 2013 or any statutory modification or re-enactment thereof.

4.8 Shareholder's Approval

"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 there under.

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. GUIDING PRINCIPLES

All Related Party Transactions shall:

a) Be undertaken in the best interests of the Company;
b) Be supported by adequate documentation and commercial justification;
c) Be conducted on terms comparable to those applicable to unrelated parties under similar circumstances;
d) Comply with the provisions of applicable laws and regulations;
e) Not result in any undue benefit to the Related Party at the cost of the Company.

6. IDENTIFICATION OF RELATED PARTIES

The Company shall maintain an updated database of Related Parties based on disclosures received from Directors, Key Managerial Personnel and other persons as required under applicable laws.

Directors and Key Managerial Personnel shall promptly disclose any change in their interests or relationships that may result in a transaction being classified as a Related Party Transaction.

7. APPROVAL OF RELATED PARTY TRANSACTIONS

7.1 Approval by Audit Committee

All Related Party Transactions shall require prior approval of the Audit Committee. The Audit Committee may grant omnibus approval for repetitive Related Party Transactions, subject to the provisions of Section 177 of the Companies Act, 2013 and the applicable rules made thereunder. Such omnibus approval shall be valid for a period not exceeding one year and shall require fresh approval of the Audit Committee upon expiry of the said period. The Audit Committee shall review all Related Party Transactions periodically and may call for such information as it considers necessary to determine whether the transaction is at arm's length and in the ordinary course of business.

7.2 Approval by the Board

The following Related Party Transactions shall require prior approval of the Board of Directors:
a) Transactions which are not in the ordinary course of business;
b) Transactions which are not at arm's length basis;
c) Transactions referred to the Board by the Audit Committee;
d) Transactions requiring shareholders' approval under applicable law.
Any Director interested in a Related Party Transaction shall disclose his/her interest and abstain from participating in discussions and voting on the matter.

7.3 Approval by Shareholders

Related Party Transactions shall require prior approval of shareholders by way of an Ordinary Resolution wheresuch approval is required under Section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014. No Related Party shall vote on such resolution if prohibited under applicable law. The explanatory statement annexed to the notice of the general meeting shall contain all disclosures as prescribed under the Companies Act, 2013.

8. REVIEW OF RELATED PARTY TRANSACTIONS

The Audit Committee shall periodically review:

a) All approved Related Party Transactions;
b) Transactions entered into pursuant to omnibus approvals;
c) Outstanding balances with Related Parties;
d) Compliance with this Policy and applicable laws.
The Committee may seek independent professional advice or valuation reports wherever considered necessary.

9. DISCLOSURES

The Company shall make such disclosures relating to Related Party Transactions as may be required under:

a) The Companies Act, 2013;
b) Applicable Accounting Standards;
c) Financial statements of the Company;
d) Board's Report;
e) Annual Report and;
f) Any other applicable law or regulatory requirement.

10. NON-COMPLIANCE

In the event a Related Party Transaction is entered into without obtaining the necessary approvals under this Policy, the matter shall be placed before the Audit Committee and the Board for consideration.

The Audit Committee may recommend ratification, modification, or termination of such transaction and may also recommend appropriate disciplinary action against the persons responsible for the non-compliance.

11. RECORD MAINTENANCE

The Company shall maintain proper records of:
a) Related Parties;
b) Related Party Transactions and Transaction value;
c) Approvals obtained from the Audit Committee, Board and shareholders;
d) Disclosures made under applicable laws.
Such records shall be preserved in accordance with the applicable statutory requirements and the Company's document retention policy.

12. REVIEW AND AMENDMENT

This Policy shall be reviewed by the Audit Committee at least once in every financial year and any amendments thereto shall be subject to approval of the Board of Directors. In case of any inconsistency between this Policy and the provisions of applicable laws, the provisions of such laws shall prevail and this Policy shall be deemed to be modified to that extent.

"The Related Party Transactions have been duly approved by the Board of Directors at its meeting held on 06th April 2026."

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Global Overview

The global economy is expected to maintain moderate growth, with global GDP projected at 3.1% in 2025 and 3.2% during 2026–27, remaining below the historical average. According to the IMF World Economic Outlook (April 2026 Update), the outlook reflects persistent inflationary pressures, geopolitical uncertainties, and tighter financial conditions. Global inflation is expected to rise to 4.4% in 2026 before moderating to 3.7% in 2027.

The ongoing US–Israel–Iran conflict has intensified global economic risks by disrupting energy supplies, increasing freight and logistics costs, and creating uncertainty across global supply chains. The resulting rise in energy and input costs has added inflationary pressures, weakened business confidence, and limited the scope for monetary policy easing.

Regional growth prospects remain mixed. Emerging Asia is expected to remain the primary engine of global growth despite a gradual moderation, while the Middle East and Central Asia are likely to witness a temporary slowdown before recovering. Latin America and Sub-Saharan Africa are expected to record stable but moderate growth, although oil-importing and non-resource-intensive economies may face increased external pressures from higher energy costs and supply disruptions. Meanwhile, Emerging and Developing Europe is projected to record modest growth following a slowdown, reflecting continued economic and geopolitical challenges.

Outlook

The global economy in 2026 faces significant headwinds driven by the escalation of geopolitical conflict in the Middle East. Ongoing disruptions to critical trade corridors, particularly the Strait of Hormuz, have triggered a surge in energy prices and systemic logistical bottlenecks. With major shipping routes diverted via the Cape of Good Hope, businesses are contending with extended lead times, elevated freight costs, and rising insurance premiums, all of which are tempering global growth prospects and anchoring inflation at higher-than-expected levels.

The economic fallout is increasingly uneven, creating a divergent landscape between commodity exporters and energy-importing nations. While select exporters have benefited from improved trade balances, most emerging markets are struggling with the dual burden of tightened financial conditions and high public debt. Furthermore, disruptions to global fertilizer supply chains present a persistent risk to agricultural stability and food prices, forcing many governments to implement fiscal interventions to protect domestic consumption and maintain social stability amidst rising input costs.

For IFL Finance Limited, this "higher-for-longer" macroeconomic environment necessitates a disciplined approach to risk management. As global inflationary pressures translate into domestic liquidity constraints and impact the operational margins of MSME and retail borrowers, the Company remains committed to a conservative underwriting strategy. By maintaining robust liquidity buffers and proactive portfolio monitoring, we continue to safeguard asset quality and ensure operational resilience against the second-order effects of global geopolitical volatility.

Indian Economy

The Indian economy demonstrated remarkable resilience throughout FY 2025–26, with GDP growth reaching 7.6%—an upward revision from previous estimates—supported by strong momentum across all quarters. Real GDP at constant prices is estimated to have risen to INR 322.58 lakh crore, surpassing the INR 299.89 lakh crore recorded in FY 2024–25. This expansion was mirrored in the Gross Value Added (GVA), which grew by 7.7% to reach INR 294.40 lakh crore, reflecting robust underlying activity across key productive sectors compared to the 7.3% growth achieved in the previous fiscal year.

Looking ahead, India's economic growth for 2026 is projected at a steady 6.5%. While regional peers in South and Southeast Asia face headwinds from the Middle East conflict—specifically through dampened tourism and reduced remittance inflows—India's outlook remains bolstered by positive carryover effects from the prior year. Furthermore, the strategic reduction of additional U.S. tariffs on Indian goods from 50% to 10% is expected to act as a significant buffer, effectively offsetting external geopolitical pressures and sustaining the nation's growth trajectory into 2027.

Outlook

The Union Budget 2026–27 centers on strengthening industrial resilience through a record ₹12.2 trillion capital expenditure. This investment targets infrastructure "connectors"—including high-speed rail and upgraded logistics hubs—while driving employment through initiatives like mega textile parks and the Mahatma Gandhi Gram Swaraj mission. Simultaneously, the government is fostering strategic self-reliance via the India Semiconductor Mission 2.0 and dedicated rare earth corridors, aiming to reduce import dependency in critical materials and elevate the productivity of the domestic manufacturing sector.

India is also aggressively expanding its global trade footprint to secure long-term market access. The successful conclusion of the India–EU Free Trade Agreement provides duty-free entry for nearly all Indian exports into a $24 trillion market, while the India–Oman Comprehensive Economic Partnership Agreement (CEPA) has deepened bilateral integration across 127 service sub-sectors. These frameworks are designed to hedge against global volatility by diversifying export destinations and establishing a predictable, rules-based environment for Indian professionals and businesses.

NBFC

India's Non-Banking Financial Company (NBFC) sector represents a vital, credit-oriented segment of the broader global Non-Bank Financial Intermediation (NBFI) ecosystem. Unlike global NBFIs, which heavily emphasize investment management, pension funds, and capital markets, Indian NBFCs are uniquely focused on direct credit intermediation. Operating under the stringent, risk-based supervisory framework of the Reserve Bank of India (RBI), the sector plays a critical role alongside traditional commercial banks by specializing in retail credit, MSME financing, vehicle loans, microfinance, and gold loans.

A key strength of the Indian NBFC sector lies in its pivotal role in advancing financial inclusion across underserved and underbanked demographics. Through flexible operating models, digital-first credit assessment methods, and streamlined processing timelines, NBFCs efficiently serve borrowers with informal income profiles or smaller ticket-size requirements that fall outside traditional banking parameters. By bridging these structural credit gaps, the sector enhances national credit penetration, drives grassroots economic activity, and maintains its position as a cornerstone of India's financial system.

GLOBAL GOLD MARKET

The global gold market has experienced unprecedented structural demand, driven by heightened geopolitical uncertainties, central bank accumulation, and persistent macro volatility. As gold prices scaled record highs, the asset's intrinsic liquidity solidified its position as an optimal hedge against inflation and economic friction. Globally, elevated bullion valuations have expanded household equity in physical gold holdings, directly accelerating the emergence of gold-backed loans as a preferred collateralized financing mechanism for short-term liquidity needs.

In India, this macro trend has fueled a rapid transition of gold loans from a traditional, distress-driven informal credit market into a highly structured, mainstream retail lending segment. Pledged against gold jewelry and ornaments, these short-term secured loans offer rapid disbursal, minimal documentation, and limited credit history dependence, catering effectively to MSMEs, rural households, and self-employed borrowers. Supported by the Reserve Bank of India's regulatory framework—including defined Loan-to-Value (LTV) limits and risk-based supervision—formal lenders such as banks and specialized NBFCs have significantly deepened their market penetration. Reflecting this surge, RBI data highlights that bank loans against gold jewelry doubled year-on-year to reach ₹3.38 lakh crore, while NBFC gold-loan Assets Under Management (AUM) are projected to cross ₹4.0 lakh crore by FY2027.

The segment's expansion is anchored by the dual tailwinds of rising gold prices—which inherently boost borrower equity and loan-ticket potential—and a structural shift away from high-cost unsecured credit. Characterized by small ticket sizes (typically under ₹5 lakh) and short tenures, gold loans serve as a vital working capital and emergency funding buffer. For institutions like IFL Finance, the asset class presents an exceptionally resilient, low-default credit opportunity, where liquid underlying collateral ensures robust recovery mechanisms and operational efficiency amidst broader macro economic shifts.

INDIAN GOLD LOAN MARKET

The gold loan ecosystem in India is defined by a multi-tiered lender network comprising commercial banks, specialized NBFCs, and informal moneylenders. While banks leverage a lower cost of funds to provide low-interest products, NBFCs drive market expansion through faster turnaround times, flexible repayment structures, and strong penetration into semi-urban and rural markets. Simultaneously, ongoing regulatory oversight by the Reserve Bank of India (RBI) continues to accelerate the shift of borrowers from high-cost unorganized lenders to formal financial channels.

The organized gold loan market in India has recorded strong growth, expanding from INR 5,845.0 billion in FY2021 to INR 12,675.0 billion in FY2025, driven by increasing demand for secured credit, greater financial inclusion, higher gold prices, and a growing shift towards organized lending channels. Gold loans continue to be a preferred financing option for individuals, small businesses, and rural households due to their quick disbursement and ease of access.

In FY2026E, commercial banks are expected to account for 81.0% of the Indian gold loan market, supported by their extensive branch network, lower cost of funds, competitive pricing, and strong customer trust. Their dominant position reflects the continued leadership of regulated financial institutions in the organized gold loan market.



HOUSING FINANCE SECTOR OVERVIEW:

While IFL Finance Limited has discontinued fresh disbursements under its Home Loan and Loan Against Property (LAP) businesses, the Company continues to service and manage its existing housing finance portfolio. Consequently, developments in the housing finance sector remain relevant to the performance and quality of this portfolio.

India's housing finance sector continues to demonstrate resilience, supported by structural demand for homeownership, increasing mortgage penetration, and improving access to formal credit. Although credit growth has moderated from the elevated levels witnessed in previous years, the sector continues to witness healthy expansion, driven by genuine end-user demand and favourable long-term demographics.

The operating environment remains stable, with lenders maintaining disciplined underwriting standards and healthy asset quality. Continued demand for residential housing, supported by urbanisation, rising disposable incomes, and government focus on housing, is expected to underpin the long-term growth of the sector. At the same time, competitive dynamics have encouraged lenders to diversify their product offerings and strengthen operational efficiencies.

For IFL Finance, while no new Home Loan or LAP originations are being undertaken, the stable outlook for the housing finance sector provides a supportive environment for the management of the Company's existing portfolio. Healthy borrower repayment behaviour, stable residential property values, and sustained end-user demand are expected to support portfolio performance and asset quality over the time.

FINANCIAL PERFORMANCE

The Company's Performance is summarized below:

(In Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31.03.26	FOR THE YEAR ENDED 31.03.25
Revenue from Operations	8570.16	7137.08
Expenses for the period	5636.79	4745.17
Profit/(Loss) before tax from continuing Operations	2933.37	2391.91
Current Income Tax for the period	766.55	533.88
Deferred Tax	4.03	45.28
Profit/(Loss) for the period	2162.79	1812.75
Transferred to Statutory Reserve under Section 29C of the NHB Act, 1987	-	362.55
Transferred to Statutory Reserve under Section 45-IC of the RBI Act, 1934	432.56	-

BUSINESS OVERVIEW:

Corporate Background & Regulatory Profile

Our Company was incorporated as "IFL Housing Finance Limited", a public limited company under the Companies Act, 2013, pursuant to a certficate of incorporation dated September 17, 2015issued by the Registrar of Companies, Delhi, The name of our Company was changed to 'IFL FinanceLimited' on March 18, 2025, and a fresh certificate of incorporation dated April 08, 2025 was issued by the RoC. IFL Finance Limited (formerly known as IFL Housing Finance Limited) is a leading Gold loan company in India, offering fast, secure, and transparent Gold loan services to customers. IFLFinance Limited as a proud subsidiary of India Finsec Limited (IFL), a BSE-listed NBFC, we are backed by strong corporate governance, financial strength, and an unwavering commitment to deliveringexceptional customer satisfaction.

Ownership & Operational Independence

As of March 31, 2026, India Finsec holds approximately 71% of our paid-up equity share capital and is designated as a Promoter. While India Finsec is our parent company, we operate as a fully independent legal entity with our own Board of Directors, management team, operational infrastructure, and regulatory registrations.
Our financial statements are also prepared on a stand alone basis. Furthermore, our regulatory compliance, capital adequacy, and credit profile are assessed independently by the RBI.

Business Operations & Lending Model

We specialize in secured retail lending, with a strategic focus on gold loans. We provide timely credit to fulfill short-term liquidity needs, including personal, business, medical, and educational expenses. Our lending model relies on a robust collateral-backed framework, streamlined documentation, and swift turn-around times from appraisal to disbursement.
Our gold loan products primarily serve self-employed and salaried individuals, small business owners, traders, and borrowers in the informal sector, offering them seamless access to formal credit by monetizing household gold assets.

Branch Network & Target Audience

As of March 31, 2026, we operated a network of 88 branches across five states and union territories, serving approximately 34,000 active borrowers:

·Delhi (NCT): 31 branches
·Rajasthan: 33 branches
·Madhya Pradesh: 11 branches
·Uttar Pradesh: 9 branches
·Haryana: 4 branches

Product Offerings & Leadership

While gold loans represent our primary focus, our portfolio also includes Home Loans and Loans Against Property (LAP). Our offerings are tailored across segments using differentiated interest rates, loan-to-value (LTV) ratios, ticket sizes, tenures, repayment structures, security coverage, and eligibility criteria.

Our growth is driven by an experienced management team spanning credit, treasury, risk, compliance, and HR. The company was Co-Founded by Mr. Gopal Bansal, together with our late Co-Founder, Mr. Gaurav Suri. Mr. Gopal Bansal a seasoned leader with over 23 years of domain experience, Mr. Bansal oversees corporate operations with deep expertise in finance, taxation, treasury, M&A, restructuring, and corporate legal compliance.

SWOT ANALYSIS

S — STRENGTHS

- Focused presence in the secured gold loan segment supports relatively lower credit risk due to collateral-backed lending structure.
- Ability to cater to underserved and financially excluded borrower segments enhances market penetration opportunities in semi-urban and rural regions.
- Support from parent company India Finsec Limited strengthens institutional credibility and governance profile.
- Customer-oriented lending approach and operational responsiveness support competitiveness in short-term retail credit markets.

W — WEAKNESSES

- High dependence on gold loans as the primary business segment increases business concentration risk.
- Relatively smaller operational scale and market visibility compared to established gold loan NBFCs and banks may limit competitive positioning.
- Limited diversification across lending products may constrain revenue scalability and cross-selling opportunities.
- Expansion into geographically diverse markets may require continued investment in branch infrastructure, manpower, and risk controls.

O — OPPORTUNITIES

- Rising preference for secured lending products in India is expected to support long-term growth in gold loan demand.
- Increasing credit requirements among MSMEs, self-employed individuals, and informal sector borrowers create expansion opportunities for collateral-backed retail lending.
- Growing penetration of organized lending in rural and semi-urban markets may support customer acquisition and portfolio expansion.
- Regulatory focus on prudent retail lending may encourage a gradual shift toward secured credit products such as gold loans.

T — THREATS

- Intense competition from established gold loan NBFCs, banks, and emerging fintech-led lenders may impact margins and customer retention.
- Changes in regulatory guidelines relating to goid loan underwriting, LTV norms, or auction procedures may affect operational flexibility and profitability.
- Volatility in gold prices may impact collateral valuation and lending dynamics.
- Economic stress among borrower segments may impact repayment behavior and increase operational recovery efforts despite collateral-backed lending.

RISK MANAGEMENT

IFL Finance recognizes that its operations are exposed to various internal and external risks arising from dynamic industry conditions, regulatory changes, and evolving market environments. These risks may vary in frequency and impact,potentially affecting the Company's operations, profitability, and long-term sustainability.

To address these challenges, the Company has established a robust risk management framework aimed at identifying, assessing, monitoring, and mitigating key risks in a timely and effective manner. The Risk Management Committee plays a pivotal role in overseeing this framework and providing strategic guidance for implementing appropriate risk mitigation measures.

Through continuous monitoring and proactive risk management practices, IFL Finance seeks to safeguard its operations, enhance resilience, and support sustainable growth as an NBFC-ICC.

HUMAN RESOURCES

IFL Finance considers its employees as a key driver of organizational success and remains committed to nurturing a skilled, motivated, and performance-oriented workforce. The Company believes that its growth is closely linked to the competence and dedication of its human capital.
During the financial year, the Company undertook various initiatives aimed at enhancing employee well-being, fostering professional development, and strengthening leadership capabilities. Special focus was given to the holistic well-being of employees, including initiatives supporting female employees and the development of the senior leadership team.

In addition, the Company introduced a performance-linked equity scheme to encourage a culture of ownership, accountability, and long-term value creation, thereby aligning employee interests with organizational objectives.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an adequate and effective internal control framework commensurate with the size, nature, and complexity of its business. The internal financial control system is designed to ensure the accuracy and reliability of financial reporting, safeguard assets, promote operational efficiency, and ensure compliance with applicable laws, regulations, and internal policies.

The Company's internal control framework provides reasonable assurance regarding:
1. The accurate and complete maintenance of accounting records and documentation of transactions.
2. The proper authorization, recording, and reporting of financial transactions in accordance with applicable accounting standards and management approvals.
3. The safeguarding of the Company's assets and the prevention and timely detection of fraud, errors, and unauthorized use or disposition of assets.
4. Compliance with statutory and regulatory requirements, as well as adherence to internal policies and procedures.

The Company has a robust internal audit mechanism, led by an independent internal audit function and supported by external professionals, wherever required. Internal audits are conducted based on a risk-based audit plan approved by the Audit Committee. The audit findings, recommendations, and management responses are periodically reviewed by the Audit Committee, which monitors the implementation of corrective actions to further strengthen the Company's internal control environment.

CORPORATE SOCIAL RESPONSIBILITY

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the welfare & sustainable development of the community at large in alignment with the vision of the company.

Company's CSR initiative strives to create and enhance value in the society and in the community in which it operates, through its services, conducts & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons. CSR Activities identified are related to the activities included in the Companies Act 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programs or activities that benefit only the employees of the Company and their families.
IFL Finance spends 2.0% of its average net profits during three immediately preceding financial years on corporate social responsibility activities as required by the Companies Act 2013.

INTERNAL FINANCIALS CONTROLS

As per the requirement of Companies Act,2013, the Board of Directors is required to lay down Internal Financial Controls to be followed by the company and that such Internal Financial controls must be adequate and operating effectively. As per the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” issued by the Institute of Chartered Accountants of India (ICAI), the respective Board of Directors of the Holding Company and its subsidiaries (“the Group”), which are companies incorporated in India, are responsible for establishing and maintaining Internal Financial Controls.

The group engaged an independent, professionally competent firm of Chartered Accountants (the "consulting firm") to review its existing risk registers and internal controls.

The consulting firm has reviewed and documented the Internal Financial Controls for the group in the form of Entity Level Controls, Process Narratives and Risk and Control Matrix for all major processes and sub processes related to internal controls over financial reporting.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may constitute "forward-looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions, expectations, and information currently available to the management and are subject to various risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied.

Important factors that may influence the Company's operations include changes in economic conditions, regulatory developments, interest rates, market conditions, competitive environment, and other factors beyond the Company's control. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required under applicable laws or regulations

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

Place: New Delhi
Date: 05.09.2026

Sd/-
Sunita Bansal
Whole Time Director
DIN : 02801660

Place: New Delhi
Date: 05.09.2026

Corporate Governance



As per RBI Master Directions, the Company submits the following Corporate Governance Report

1. BOARD OF DIRECTORS

IFL Finance Limited (formerly known as IFL Housing Finance Limited) is governed by a six-member Board of Directors. The board includes a Managing Director, and two Whole-Time Directors, two Independent Non-Executive Directors and one Non-Executive Director, .

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships as on March 31, 2026 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, 2026 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, 2026 are given below.
- As on 31st March 2026 along with current position in the format as prescribed by the RBI Master Directions:

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 NBFC
				Held	Attended		Salary & Other Compensation	Sitting Fees	Commission	
Mr. Gopal Bansal	28.06.2017	Executive	01246420	42	42	2	29.30	-	-	7393430
Ms. Kriti Suri	07.08.2021	Executive	09258479	42	42	0	10.86	-	-	1480010
Mr. Ashish Bansal*	07.08.2021	Non-Executive	06607944	42	42	0	5.67	-	-	-
Mrs. Sunita Bansal#	28.06.2017	Executive	02801660	42	42	1	20.51	-	-	6942410
Mr. Devi Dass Agarwal##	07.08.2021	Independent & Chairman	09152596	42	42	3	-	1.60	-	-
Mrs. Pinki Sharma**	17.07.2025	Independent	11194389	32	32	-	-	1.07	-	-
Mr. Amit Kumar Agarwal^	08.07.2029	Independent	08768575	7	7	-	-	-	-	-
Ms. Khushboo Nilesh Rawat***	06.06.2026	Independent	09155098	-	-	3	-	-	-	-

Mr. Amit Kumar Agarwal^	08.07.2029	Independent	08768575	7	7	-	-	-	-	-
Ms. Khushboo Nilesh Rawat* **	06.06.2026	Independent	09155098	-	-	3	-	-	-	-

*Change in designation of Mr. Ashish Bansal from Whole Time Director to Non-Executive Director w.e.f. 20.08.2025 and also appointed as Chairperson w.e.f. 26.03.2026 till 26.04.2026.
#Change in designation of Mrs. Sunita Bansal from Non-Executive Director to Whole-Time Director w.e.f. 20.08.2026.
** Mrs. Pinki Sharma has been appointed wef 17.07.2025 and resigned w.e.f. 06.06.2026 as Non-Executive Independent Director.
*** Mrs. Khushboo Nilesh Rawat has been appointed as Addition Non Executive Independent Director w.e.f. 06.06.2026 and change in designation took place w.e.f. 09.06.2026.
^ Mr. Amit Kumar Agarwal has been resigned w.e.f. 17.07.2025 as an Non Executive Independent Director.
Appointed as chairperson on 27.04.2026 in place of Mr. Ashish Bansal.

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.	Mr. Amit Kumar Agarwal	Non-Executive Director	Resigned	17.07.2025
2.	Mrs. Pinki Sharma	Non-Executive Director	Appointment	17.07.2025
3.	Mrs. Pinki Sharma	Non-Executive Director	Change in Designation	20.08.2025
4.	Mr. Ashish Bansal	Non-Executive Director	Change in Designation	20.08.2025
5.	Mrs. Pinki Sharma	Non-Executive Director	Resigned	06.06.2026
6.	Mrs. Khushboo Nilesh Rawat	Additional Independent Director	Appointment	06.06.2026
7.	Mrs. Khushboo Nilesh Rawat	Independent Director	Change in designation	09.06.2026
8.	Mr. Ashish Bansal	Chairman	Appointed	26.03.2026
9.	Mr. Devi Dass Agarwal	Chairman & Independent Director	Appointed	27.04.2026
10.	Mr. Ashish Bansal	Chairman	Resigned	27.04.2026

- Mrs. Pinki Sharma has resigned due to her other professional commitments.
- Mr. Amit Kumar Agarwal has resigned due to his other professional commitments.

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 Forty Two (42) times viz on 08.04.2025, 15.04.2025, 29.04.2025, 22.05.2025, 23.06.2025, 27.06.2025, 28.06.2025, 07.07.2025, 15.07.2025, 17.07.2025, 23.07.2025, 30.07.2025, 07.08.2025, 11.08.2025, 20.08.2025, 25.08.2025, 08.09.2025, 13.09.2025, 24.09.2025, 10.10.2025, 16.10.2025, 27.10.2025, 12.11.2025, 14.11.2025, 18.11.2025, 01.12.2025, 17.12.2025, 31.12.2025, 07.01.2026, 16.01.2026, 21.01.2026, 27.01.2026, 28.01.2026, 29.01.2026, 13.02.2026, 2002.2026, 25.02.2026, 05.03.2026, 12.03.2026, 17.03.2026, 26.03.2026 and 30.03.2026.

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 Audit Committee shall be responsible for, among other things, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:
(1) to investigate any activity within its terms of reference;
(2) to seek information from any employee;
(3) to obtain outside legal or other professional advice;
(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
(5) to such other powers as may be prescribed under the Companies Act and SEBI Listing Regulation.
(6) to recommend on any matter relating to financial management including the Auditors' Report and such recommendation shall be binding on the Company, failing which, the Board shall accord the reasons thereof and communicate the same to the shareholders.

(7) to approve the key performance indicators to be disclosed in the Offer related documents in relation to the initial public offering of the Equity Shares of the Company and to confirm that verified any audited details for all the key performance indicators pertaining to the Company that have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus / Red Herring Prospectus are disclosed under "Basis for Offer Price" section of the Offer document.

Role of Audit Committee

The role of the Audit Committee shall include the following:
(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

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

(4) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(5) formulation of a policy on related party transactions, which shall include materiality of related party transactions' examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
b. Changes, if any, in accounting policies and practices and reasons for the same;
c. Major accounting entries involving estimates based on the exercise of judgment by management;
d. Significant adjustments made in the financial statements arising out of audit findings; compliance with listing and other legal requirements relating to financial statements;
e. Disclosure of any related party transactions; and
f. Modified opinion(s) in the draft audit report.

(6) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(7) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offerdocument / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(8) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(9) reviewing, at least on a quarterly basis, the details of the related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(10) Seeking information from any employee, obtain external professional advice, and secure attendance of outsiders with relevant expertise if necessary.;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

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

(12) valuation of undertakings or assets of the Company, wherever it is necessary;

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

(14) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(16) discussion with internal auditors of any significant findings and follow-up thereon;

(17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

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

(19) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(20) reviewing the functioning of the whistle blower mechanism;

(21) monitoring the end use of funds through public Offer and related matters;

(22) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(23) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(24) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders:((25) approving the key performance indicators for disclosure in the Offer documents; and

(26) to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and

(27) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to the audit review by committee; and
- Statement of deviations in terms of the SEBI Listing Regulations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;
b. annual statement of funds utilised for purposes other than those stated in the Offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.
review the financial statements, in particular, the investments made by any unlisted subsidiary. 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, 2026:-

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Amit Kumar Agarwal*	28.08.2020	Chairman	3	3	-
2.	Mr. Gopal Bansal	03.08.2017	Member	6	6	7393430
3.	Mr. Devi Dass Agarwal#	28.10.2024	Chairman	6	6	-
4.	Mrs. Pinki Sharma**	17.07.2025	Member	3	3	-

*Mr. Amit Kumar Agarwal has resigned dated 17.07.2025.
**Mrs. Pinki Sharma has joined the Audit Committee dated 17.07.2025.
Mr. Devi Dass Agarwal acting as Chairman w.e.f. 17.07.2025. -
During the year, 6 (Six) Audit Committee meetings were held as on 08.04.2025, 12.05.2025, 22.05.2025, 30.07.2025, 10.10.2025, 16.01.2026 respectively.

NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy");

(2) Formulation of criteria for evaluation of independent directors on the Board;

(3) For appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

a. use the services of an external agencies, if required;
b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
c. consider the time commitments of the candidates.

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management;

(8) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that-

a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(9) perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

a. determining the eligibility of employees to participate under the employee stock option plans of the Company;
b. granting options to eligible employees and determining the date of grant;
c. determining the number of options to be granted to an employee;

d. determining the number of options to be granted to an employee;
e. determining the exercise price under the employee stock option plans of the Company; and
f. construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.
g. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
h. The exercise period within which the employees should exercise the option and that option would lapse on failure to exercise the option within exercise period;
I. The specified time period within which the employee should exercise the vested option in the event of termination or resignation of an employee;
j. The right of an employee to exercise all the options vested in him at one time or at various point of time within the exercise period;
k. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the Equity Shares;
l. The grant, vest and exercise of option in case of employees who are on long leave;
m. allow exercise of unvested options on such terms and conditions as it may deem fit;
n. the procedure for cashless exercise of options;
o. forfeiture/cancellation of options granted;
p. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, following shall be taken into consideration:
the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
for this purpose, follow global best practices in this area including the procedures followed by the derivative market in India and abroad may be considered'; and

- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

q. To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board;
r. The committee is authorised by the Board to:

- Investigate any activity within its terms of reference;
- Seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties;
- call any director or other employee to be present at a meeting of the Committee as and when required; and
- if the committee considers it necessary to do so, it is authorized to obtain appropriate external advice including

but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limited as authorized by the Board.

(10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(11) Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;

(12) Developing a succession plan for our Board and senior management and regularly reviewing the plan; and

(13) carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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, 2026:

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Amit Kumar Agarwal*	07.08.2020	Chairman	2	2	-
2.	Mr. Sunita Bansal##	28.10.2024	Member	4	4	6942410
3.	Mr. Devi Dass Agarwal**	07.08.2021	Chairman	7	7	-
4.	Mrs. Pinki Sharma***	17.07.2025	Member	4	4	-
5.	Mr. Ashish Bansal#	20.08.2025	Member	3	3	-

*Mr. Amit Kumar Agarwal has resigned dated 17.07.2025.
** Mr. Devi Dass Agarwal acting as Chairman of this Committee w.e.f. 17.07.2025.
***Mrs. Pinki Sharma has been appointed w.e.f. 17.07.2025.
Mr. Ashish Bansal has been appointed w.e.f. 20.08.2025
Mrs. Sunita Bansal has resigned from this committee w.e.f. 20.08.2025. -

During the year, 7 (seven) Nomination & Remuneration Committee meetings was held as on 15.04.2025, 07.07.2025, 17.07.2025, 23.07.2025, 25.08.2025, 16.10.2025 and 26.03.2026.

RISK MANAGEMENT COMMITTEE

Terms of Reference

- Reviewing the risk profile of the Company (including market risk, operational risk, transactional risk and credit risk);
- Approval and review of the risk measurement policies, models and measurement systems;
- Approval and review of the broad Credit underwriting policies and process. Set broad framework by setting of quantitative prudential limits on various products and segments of the Company's operations;
- Review risk, credit and collections triggers/ parameters;
- Determining implications on quality and review of returns and reports to the RBI pertaining to the Risk Monitoring function.
- To review and discuss the cases relating to willful defaulters of the Company.
- To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity and evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;
- To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;
- To review the status of the compliance, regulatory reviews and business practice reviews;
- To review and recommend the Company's potential risk involved in any new business plans and processes.
- The Risk Management Committee is required to meet at least twice in a financial year and the gap between two consecutive meetings shall not be more than 210 days and the quorum for a meeting of the Risk Management Committee shall be either two members or one - third of the members of thecommittee whichever is greater, but there should be a minimum of one member of the Board in attendance.

Meetings of the Risk Management Committee and Attendance of the Members as at 31st March, 2026

Sr. No.	Name of Director	Member of Committee Since	Capacity	Number of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Gopal Bansal	31.03.2018	Chairman	4	4	7393430
2.	Mr. Amit Kumar Agarwal*	08.07.2020	Member	1	1	-
3.	Mr. Ashish Bansal	27.08.2021	Member	4	4	-
4.	Mrs. Prerna Matta Arora	01.11.2022	Member	4	4	-
5.	Mr. Devi Dass Agarwal**	17.07.2025	Member	3	3	-

*Mr. Amit Kumar Agarwal has resigned dated 17.07.2025.
** Mr. Devi Dass Agarwal has appointed w.e.f. 17.07.2025.

During the year, 4 (Four) Risk Management Committee meetings were held as on 12.05.2025, 20.08.2025, 16.10.2025 and 28.01.2026 respectively.

ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Terms of Reference

1. Review of treasury operations of the Company at least once in every quarter.
2. Ensuring adherence to limits and thresholds as approved by the Board and alignment of treasury activities with the business strategy of the Company in line with the approved budget and risk management framework.
3. Oversight of integrated balance sheet management from a risk-return perspective, including strategic management of interest rate risk and liquidity risk.
4. Review and consideration of product pricing for both assets and liabilities, including deposits and advances, and assessment of pricing in comparison with peer Non-Banking Financial Companies of similar scale and profile.
5. Review of maturity profile and composition of incremental assets and liabilities, ensuring alignment with liquidity, funding and risk objectives of the Company.
6. Monitoring of prevailing market interest rates and evaluation of their impact on the Company's treasury strategy and pricing decisions.
7. Development of a view on interest rate trends and formulation of funding strategy, including decisions relating to mix of fixed vs floating rate funds, wholesale vs retail funding, money market vs capital market instruments, and domestic vs foreign currency funding, as applicable.
8. Review of progress and implementation status of decisions taken in previous meetings of the Committee.
9. Submission of reports, observations and recommendations to the Board of Directors from time to time on treasury, liquidity and asset-liability management matters.
10. Authority to constitute such sub-groups or working groups as may be required for analysis, monitoring and reporting of risk profiles, treasury performance and related matters.
11. Performance of such other functions as may be required under applicable laws, regulatory guidelines or as may be assigned by the Board from time to time.

As at 31st March, 2026, 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 NBFC
				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, 5 (Five) Asset Liability Management Committee meetings were held as on 22.05.2025, 23.06.2025, 07.08.2025, 12.11.2025 and 21.01.2026 respectively.

OTHER COMMITTEES

IT STRATEGY COMMITTEE

Terms of Reference

1. The IT Strategy Committee shall comprise a minimum of three directors of the Company as its members.
2. The Chairperson of the IT Strategy Committee shall be an Independent Director having substantial expertise in information technology and experience in managing or guiding IT-related initiatives.
3. The members of the IT Strategy Committee shall be technically competent and possess adequate knowledge and understanding of information technology and related governance matters.
4. The IT Strategy Committee shall meet at least on a quarterly basis, or at such intervals as may be required for effective discharge of its responsibilities.
5. The IT Strategy Committee shall ensure that the Company has established an effective IT strategic planning process aligned with its business objectives.
6. The IT Strategy Committee shall guide the formulation of the IT strategy and ensure alignment of the IT strategy with the overall business strategy of the Company for achievement of organizational objectives.
7. The IT Strategy Committee shall satisfy itself that the IT governance and information security governance framework of the Company is robust, effective and efficient, and that it provides clear accountability, adequate skilled resources, well-defined objectives and unambiguous responsibilities at all levels.
8. The IT Strategy Committee shall ensure that appropriate processes are in place for identifying, assessing and managing information technology risks and cybersecurity risks across the organization.
9. The IT Strategy Committee shall ensure that budgetary allocations for information technology and cybersecurity functions are commensurate with the Company's IT maturity, digital infrastructure, threat landscape and industry standards, and are utilized effectively for achieving defined objectives.
10. The IT Strategy Committee shall review, at least annually, the adequacy and effectiveness of the Company's Business Continuity Planning and Disaster Recovery Management framework.

As at 31st March, 2026, 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 NBFC
				Held	Attended	
1.	Mr. Amit Kumar Agarwal*	15.04.2024	Chairman	1	1	-
2.	Mr. Devi Dass Agarwal**	15.04.2024	Chairman	4	4	-
3.	Mr. Gopal Bansal	15.04.2025	Member	4	4	7393430
4.	Mr. Sunil Kumar	15.04.2025	Member	4	4	-
5.	Mrs. Pinki Sharma#	17.07.2025	Member	2	2	-

*Mr. Amit Kumar Agarwal has resigned dated 17.07.2025.
#Mrs. Pinki Sharma has been appointed w.e.f. 17.07.2025
** Mr. Devi Dass Agarwal has been appointed as Chairman w.e.f. 17.07.2025. -

During the year, 4 (Four) IT Strategy Committee meetings were held as on 15.04.2025, 17.07.2025, 14.11.2025 and 20.02.2026 respectively

SPECIAL COMMITTEE TO MONITOR AND FOLLOW UP

During the FY 2025-26, the Company was converted from a Housing Finance Company (HFC) to a Non Banking Financial Company – Investment and Credit Company (NBFC-ICC) in the Base Layer category. As the requirement for this Committee is not applicable to NBFCs in the Base Layer with an asset size of less than ₹500 crore, the Board of Directors, after due consideration, approved the dissolution of the Committee in the FY 2025-26.

IPO COMMITTEE

Terms of Reference

The IPO Committee be and is hereby constituted to undertake, inter alia, the following acts:

a. To make applications to, seek clarifications, obtain approvals, and seek exemptions from, if necessary, SEBI, Reserve Bank of India, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

b. To approve and file the DRHP with SEBI, the RHP and Prospectus with the RoC and thereafter with SEBI and the Stock Exchanges and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) in relation to the Offer as finalised by the Company, therein;

c. To decide in consultation with the book running lead manager ("BRLM") on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size, reservation, discount, and to accept any amendments, modifications, variations or alterations thereto;

d. To appoint and enter into arrangements with the BRLM, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, sponsor banks to the Offer, registrars, legal counsel, advertising agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment;

e. To authorize the maintenance of a register of holders of the Equity Shares;

f. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the DRHP, RHP, the Prospectus, the abridged prospectus, the preliminary international wrap and final international wraps, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, agreements with the registrar and the advertising agency, bid-cum-application forms, confirmation of allotment notes, and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;

g. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;

h. To seek, if required, the consent of the lenders to the Company and its subsidiaries (if any), parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;

I. To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

j. To approve any corporate governance requirements that may be considered necessary or as may be required under the applicable laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges;

k. To authorize and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

l. To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investor offer price), reservation, discount, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

m. To finalise and issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

n. To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

o. To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

p. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;

q. To withdraw the DRHP, RHP and the Offer at any stage, in accordance with applicable laws and in consultation with the BRLM, if deemed necessary;

r. To negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including DRHP, RHP, Prospectus, and abridged prospectus) agreements, letters, applications, bid-cum-application forms, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto or termination thereof) on behalf of the selling shareholder (as maybe applicable), as the case may be, in relation to the Offer;

s. To make applications (both in-principle and final applications) for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s);

t. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company; and

u. To authorize and empower KMPs of the Company (each, an "Authorized Officer"), for and on behalf of the Company, to execute and deliver, on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto as may be required from time to time or that the Authorized Officers consider necessary, appropriate or advisable, in connection with the IPO, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar's agreement, the depositories agreements, the offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the escrow agreement and confirmation of allocation notes, with the BRLM, lead manager, syndicate members, bankers to the IPO, registrar to the IPO, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and to do or cause to be done any and all such acts or things that the IPO Committee or the Authorized Officer may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

As at 31st March, 2026, The IPO 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 NBFC
				Held	Attended	
1.	Mr. Gopal Bansal	26.03.2026	Chairman	-	-	7393430
2.	Mrs. Sunita Bansal	26.03.2026	Member	-	-	-
3.	Mr. Devi Dass Agarwal	26.03.2026	Member	-	-	-

REVIEW COMMITTEE

Terms of Reference

- To review the findings of the Identification Committee, borrower's response, give opportunity of hearing to the borrower, and carefully, and with reasoning, give it sultimate decision on tagging the borrower as willful.
- The RC's responsibility is to make a final, reasoned decision on whether the borrower should be officially classified as a willful defaulter.
- It ensures a comprehensive evaluation of all submitted evidence and representations before issuing a final determination. If the IC does not classify the borrower as a willful defaulter, the case does not proceed to the RC.

As at 31st March, 2026, The Review 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 NBFC
				Held	Attended	
1.	Mr. Devi Dass Agarwal	15.02.2025	Chairman	-	-	7393430
2.	Mrs. Pinki Sharma	15.02.2025	Member	-	-	-
3.	Mr. Gopal Bansal	15.02.2025	Member	-	-	-

IDENTIFICTION COMMITTEE

Terms of Reference:

- To consider the evidence from the borrower's financials or otherwise as to whether the indications of Wilful Default exist.
- To consider the borrower's response, and escalate the matter, if thought appropriate, to the Review Committee.
- This committee is responsible for issuing a show cause notice to the borrower and other relevant parties, allowing them time to respond.
- The IC then drafts a proposal on whether the borrower should be classified as a willful defaulter, based on its findings and the submissions received.

As at 31st March, 2026, The Identification 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 NBFC
				Held	Attended	
1.	Mr. Gopal Bansal	15.02.2025	Chairman	-	-	7393430
2.	Mr. Vinod Bansal	15.02.2025	Member	-	-	-
3.	Mr. Mukesh Sharma	15.02.2025	Member	-	-	-

INTERNAL COMPLAINT COMMITTEE

Terms of Reference:

- Any employee who feels and is being sexually harassed directly or indirectly may submit a complaintof the alleged incident to any member of the Committee in writing with his/her signature within a period ofthree months from the date of incident and in case of a series of incidents, within a period of three monthsfrom the date of last incident or can email to hr@iflfinanceltd.com
- The complaint can be made by the aggrieved himself/herself or any other person such as relative,friend, guardian or co-worker who has the knowledge of the incident, with the written consent of the aggrieved/complainant.
- Complaints can be made in person/via phone/email/letter, to any of the committee members. Any oral communication should be followed up with a written communication.
- The Committee will hold a meeting with the Complainant within five days of the receipt of thecomplaint, but no later than a week in any case.
- At the first meeting, the Committee members shall hear the Complainant and record her/his allegations.The Complainant can also submit any corroborative material with a documentary proof, oral or written material, etc., to substantiate his / her complaint.
- Thereafter, the person against whom complaint is made may be called for a deposition before the Committee within a week of Complaint and an opportunity will be given to him / her to give an explanation.Response is sought from the Respondent within 10 days.
- The Committee, before initiating a formal inquiry on the basis of the complaint will take steps to settle the matter between the complainant and the respondent through conciliation provided no monetary settlement shall be made as a basis of conciliation. Wherever such settlement has been arrived, the Committee shall record it and send the same to the Director – HR to take action as per recommendation.Once such settlement has been arrived at, no further enquiry shall be conducted by the Committee.
- However, a further reference to the Committee may be made for redressal if the terms of settlementhave not been complied with.
- In the event, the complaint does not fall under the purview of Sexual Harassment or the complaint does not mean an offence of Sexual Harassment, the same would be dropped after recording the reasons thereof.

As at 31st March, 2026, The Internal Complaint Committee comprises of the following members:

Sr. No.	Name of Director	Member of Committee Since/Reconstitution Date	Capacity	Number of meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1.	Ms. Sunita Bansal	10.10.2025	Chairman	-	-	7393430
2.	Mrs. Neha Sharma	20.08.2025	Member	-	-	-
3.	Mrs. Prerna Matta Arora	20.08.2025	Member	-	-	-
4.	Mr. Pawan Gupta	20.08.2025	Member	-	-	-
5.	Mr. Himanshu Agarwal	20.08.2025	Member	-	-	-

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETINGS

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

FY	Date and Time	Location
2024-25	20.08.2025 at 11:30 A.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085
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

Disclosure of EGM as per Master Directions of Reserve Bank of India:

FY	Date and Time	Location	Special Resolutions Passed
2025-26	27.10.2025 at 12:30 P.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085	Yes
2025-26	19.02.2026 at 04:00 P.M.	D-16, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085	Yes

During the year under review, the Extraordinary General Meeting of the Members was held on Monday, 27th October, 2025 at 12:30 P.M for taking approval of amendment in Articles of Association.

And the second Extraordinary General Meeting (EGM) of the members was held on **Thursday, 19th February, 2026, at 4:00 P.M.** to obtain the members' approval for the increase in the borrowing limits under **Section 180(1)(c)** and the limits under **Section 180(1)(a)** of the Companies Act, 2013.

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 WITH MANDATORY 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.

MATERIAL 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 RBI master Directions are given below:

(Amount in Lakhs)

Items \ Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		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	-	639.00	-	-	-	-	-	-	-	675.59	-	-	-	1314.59
Borrowings Paid	-	639.00	-	-	-	-	-	-	-	675.59	-	-	-	1314.59
Allotment of Equity Shares	-	3484.51	-	-	-	-	-	-	-	-	-	-	-	3484.51
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	14.13	-	-	-	-	-	-	-	31.13	-	-	-	45.26
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission Paid for Bank Guarantee	-	7.63	-	-	-	-	-	-	-	-	-	-	-	7.63
Salaries and Director Remuneration Paid	-	-	-	-	-	-	97.54	99.63	5.67	-	-	-	101.50	99.62
Rent paid	-	-	-	-	-	-	9.00	9.00	-	-	9.00	9.00	18.00	18.00
Professional Charges Paid	-	-	-	-	-	-	-	-	17.52	35.04	-	-	17.52	35.04

Details of Remuneration of all the Directors (2025-2026)

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	20.51	5.67	10.86	66.34
	(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)	29.30	20.51	5.67	10.86	66.34

Details of Sitting Fees/Remuneration paid to Non-Executive Directors during the financial year 2025-2026

Name of the Director	Amount (Rs. In lakhs)
Mr. Devi Dass Agarwal (Independent Director)	1.60
Mr. Amit Kumar Agarwal (Independent Director)	-
Mrs. Pinki Sharma (Independent Director)	1.07

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, 2026 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)

Place: New Delhi
Date: 05.09.2026

Sd/-
Gopal Bansal
Managing Director
DIN : 01246420

Sd/-
Sunita Bansal
Whole Time Director
DIN : 02801660

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 2026, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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, 2026, 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.

Key Audit Matters

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

	Key Audit Matters	Auditor's response
1.	Loans and advances : - Loans are to be disclosed at Amortised Cost using Effective Interest Method prescribed under Ind AS 109 on 'Financial Instruments' .We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.	Our audit procedure inter- alia includes the following: - 1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year. 2. We evaluated the control environment of levying the processing fees on significant loans advanced by the company and is treatment in the books of accounts in accordance with Ind AS 109. 3. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company. 4.We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.

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.

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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to 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.

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

i) The Company does not have any pending litigations which would impact 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.

i) The Company has not declared or paid any dividend during the year.

ii) 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 31,2026 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 31,2026 which have the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software systems. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for the record retention.

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

Sd/-
CA Varun Garg
Partner
Membership No. 523588
UDIN : 26523588GMASCK3257

Place: New Delhi
Dated: 13-05-2026

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, 2026:

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. 389.94 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) According to the information and explanations given to us, the company is a Non-Banking Financial Company and registered under section 45-IA of the Reserve Bank of India Act, 1934 as at 31 March 2026.

b) According to information and explanations given to us, the company has conducted Non- Banking Financial activities with a valid certificate as per the Reserve Bank of India Act, 1934.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) The Group does not have any CIC as part of the Group.

17) Cash Losses

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

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 Regn. No. 012063N

Sd/-
CA Varun Garg
Partner
Membership No. 523588
UDIN : 26523588GMASCK3257

Place: New Delhi
Dated: 13-05-2026

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 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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.

Annexure - B to the Independent Auditors' Report

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 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
CA Varun Garg
Partner
Membership No. 523588
UDIN : 26523588GMASCK3257

Place: New Delhi
Dated: 13-05-2026

IFL FINANCE LIMITED

(Formerly Known as IFL Housing Finance Limited)

CIN : U65910DL2015PLC285284

BALANCE SHEET AS AT MARCH 31,2026

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

Sr. No.	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS				
I	**Financial assets**			
	(a) Cash and cash equivalents	**4a**	5,634.35	1,135.59
	(b) Bank Balance other than Cash and cash equivalents	**4b**	259.26	393.88
	(c) Loans	**5**	51,075.14	32,981.60
	(d) Other financial assets	**6**	140.29	212.13
	Total Financial assets		**57,109.04**	**34,723.20**
II	**Non-financial assets**			
	(a) Deferred tax assets (net)	**7**	145.76	150.75
	(b) Property, plant and equipment	**8**	226.53	192.99
	(c) Right of use Asset	**8**	1,123.23	865.77
	(d) Investment Property	**8**	112.79	118.56
	(e) Intangible assets under development		-	-
	(f) Other intangible assets	**8**	82.74	97.47
	(g) Other non-financial assets	**9**	97.50	36.98
	Total Non-financial assets		**1,788.55**	**1,462.52**
	Total Assets		**58,897.59**	**36,185.72**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**Financial liabilities**			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	**10**	4.35	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	**10**	1.24	-
	(b) Debt Security	**11**	14,154.27	-
	(c) Borrowings (other than debt securities)	**12**	24,667.20	18,779.62
	(d) Lease Liability	**13**	1,290.52	993.09
	(e) Other financial liabilities	**14**	292.11	221.03
	Total Financial liabilities		**40,409.69**	**19,993.74**
II	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	**15**	179.44	95.85
	(b) Provisions	**16**	115.76	64.49
	(c) Deferred Tax Liabilities (Net)		-	-
	(d) Other non financial liabilities	**17**	54.75	57.33
	Total Non-financial liabilities		**349.95**	**217.67**
EQUITY				
	(a) Equity share capital	**18**	8,475.82	8,475.82
	(b) Other equity	**19**	9,662.13	7,498.48
	Total Equity		**18,137.95**	**15,974.30**
	Total Liabilities and Equity		**58,897.59**	**36,185.72**

Notes to the Ind AS financial statements 1-49

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
UDIN: 26523588GMASCK3257
New Delhi, the 13th day of May, 2026

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Sd/-
Sunita Bansal
Whole Time Director
DIN: 02801660

Sd/-
Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

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

Sr. No.	Particulars	Note No.	Year Ended March 31, 2026	Year ended March 31, 2025
	Revenue from operations			
	(i) Interest Income	**20**	8,017.70	6,850.86
	(ii) Fees and Commission Income	**21**	394.18	213.15
	(iii) Other Income From Operations	**22**	48.96	47.17
I	**Total Revenue From Operations**		8,460.84	7,111.18
II	Other Income	**23**	109.32	25.90
III	**Total Income (I+II)**		**8,570.16**	**7,137.08**
	Expenses			
	Finance costs	**24**	3,319.71	2,575.29
	Impairment on Financial Instruments	**25**	51.92	-
	Employee benefits expenses	**26**	1,477.89	1,337.30
	Depreciation and amortisation expenses	**8**	308.81	257.74
	Other expenses	**27**	478.46	574.84
IV	**Total Expenses**		**5,636.79**	**4,745.17**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**2,933.37**	**2,391.91**
VI	Exceptional items		**-**	**-**
VII	**Profit/ (loss) before tax**		**2,933.37**	**2,391.91**
VIII	Less: Tax expense			
	Current tax	**28**	748.90	533.88
	Deferred tax (Net)	**28**	4.03	45.28
	Previous Year tax		17.65	-
IX	**Net Profit/ (loss) after tax**		**2,162.79**	**1,812.75**
	Other Comprehensive Income			
	A. Remeasurements of Defined Benefit Obligation		3.85	(1.81)
	B. Income tax relating to items that will not be reclassified to profit or loss		(0.97)	0.46
X	**Total Other Comprehensive Income (A+B)**		**2.88**	**(1.35)**
XI	**Total Comprehensive Income (IX+X)**		**2,165.67**	**1,811.40**
XII	**Earning Per Equity Share (EPS)**			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	**29**	2.55	2.65
	Diluted (in Rs.)	**29**	2.55	2.65

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

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
UDIN: 26523588GMASCK3257
New Delhi, the 13th day of May, 2026

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

Sd/-
Sunita Bansal
Whole Time Director
DIN: 02801660

Sd/-
Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

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

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

Particulars	For the year ended on March 31, 2026	For the year ended on March 31, 2025
(I) Cash flow from Operating Activities		
Profit before tax	2,933.37	2,391.91
Adjustments for:		
Impairment Loss on Financial instruments	51.92	(1.05)
Prior Period Items	(2.02)	1.78
Depreciation and amortisation expense	308.81	257.74
Re-measurements of Defined Benefit Obligation through OCI	3.85	(1.81)
Interest income at amortised cost	(8,019.00)	(6,854.08)
Fees and Commission Income	(394.18)	(213.15)
Finance cost at amortised cost	3,319.71	2,532.85
Cash inflow from Interest Income	7,584.23	6,431.56
Cash inflow from Fees and Commission Income	682.72	307.38
Cash outflow towards finance costs	(3,259.87)	(2,423.45)
Cash generated from operation before working capital changes	**3,209.54**	**2,429.67**
Working capital changes:		
(Increase)/ decrease in trade receivables	-	-
(Increase)/ decrease in loans	(18,037.44)	(4,998.37)
(Increase)/ decrease in financial assets	71.85	(76.83)
(Increase)/ decrease in non- financial assets	(60.53)	(8.71)
Increase/ (decrease) in trade payables	5.59	-
Increase/ (decrease) in other financial liabilities	183.81	104.90
Increase/ (decrease) in provisions	51.26	21.82
Increase/ (decrease) in non financial liabilities	(2.58)	8.18
	(14,578.48)	(2,519.34)
Income Tax paid (Net of refunds)	(682.96)	(539.54)
Net cash flow from operating activities (I)	**(15,261.44)**	**(3,058.88)**
(II) Cash flow from Investing Activities		
Increase in Bank Balance other than Cash & Cash Equivalents	134.62	500.00
Sale/ (Purchase) of Property, plant & equipment	(133.59)	(264.76)
Sale/ (Purchase) of investments	-	-
Interest Earned on Fixed Deposits	38.22	58.79
Net cash flow from investing activities (II)	**39.25**	**294.03**
(III) Cash flow from Financing Activities		
Net proceeds from issue of equity share capital	-	3,457.51
Net proceeds from borrowings	5,940.81	512.44
Net proceeds from issue of Non-convertible Debentures	14,154.27	-
Interest expense on lease liabilities	(113.08)	(84.17)
Lease Rentals Paid	(261.06)	(203.07)
Net cash flow from financing activities (III)	**19,720.95**	**3,682.70**
Net increase/(decrease) in cash and cash equivalents (I + II + III)	4,498.76	917.85
Cash and Cash Equivalents at the beginning of the year	1,135.59	217.74
Cash and Cash Equivalents at the end of the year (Note 4a)	**5,634.35**	**1,135.59**

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
UDIN: 26523588GMASCK3257
New Delhi, the 13th day of May, 2026

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Gopal Bansal
Managing Director
DIN: 01246420

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Sunita Bansal
Whole Time Director
DIN: 02801660

Sd/-
Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

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

(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, 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
Shares allotted through right issue during the year	-	-
As at March 31, 2026	8,47,58,164	8,475.82

b. Other Equity

Statement of Changes in Other Equity for the Year ended March 31, 2026

Particulars	Statutory Reserve (In terms of section 45-IC of the RBI Act, 1934)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2025*	1,016.24	2,595.18	3,891.36	(4.30)	7,498.48
Changes in accounting policy/Prior Period Errors	-	-	(2.02)	-	(2.02)
Restated balances as on 1st April 2025	1,016.24	2,595.18	3,889.34	(4.30)	7,496.46
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	2,162.79	-	2,162.79
Expenses for Issuance of Shares		-	-	-	-
Total Comprehensive Income for the year	-	-	-	2.88	2.88
Transfer to Special Reserve in terms of Sec 45-IC of the RBI Act, 1934	432.56	-	(432.56)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2026	**1,448.80**	**2,595.18**	**5,619.57**	**(1.42)**	**9,662.13**

** The opening balance as on 01.04.2025 represents the closing balance as on 31.03.2025 pertaining to Statutory Reserve created in accordance with Section 29C of the NHB Act, 1987 and Section 36(1)(viii) of the Income Tax Act, 1961.*

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	-	-	1.77	-	1.77
Restated balances as on 1st April 2025	653.69	1,021.19	2,441.15	(2.95)	4,113.08
Equity Shares issued during the year	-	1,600.99	-	-	1,600.99
Profit For the Year	-	-	1,812.76	-	1,812.76
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**

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

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
UDIN: 26523588GMASCK3257
New Delhi, the 13th day of May, 2026

Sd/-
Gopal Bansal
Managing Director
DIN: 01246420

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Whole Time Director
DIN: 02801660

Sd/-
Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Sd/-
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	129.98	462.09
Balance with banks:		
-In current accounts	2,604.37	673.50
In Other Deposit Accounts		
-In fixed deposits (Original Maturity upto 3 months)	2,900.00	-
Total	**5,634.35**	**1,135.59**

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Deposit with bank (unencumbered)	255.51	-
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))	3.75	393.88
Total	**259.26**	**393.88**

4.(b).(i) Fixed Deposit with bank under Lien
Fixed deposits of Rs. 3.75 Lakhs (P.Y.Rs. 31.88 Lakhs) is against borrowings taken from MAS Financial Services Ltd.

5. Loans

At Amortised Cost

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Term Loans		
Housing loans	7,355.51	11,314.25
Loan Against Property	460.41	811.91
Loan Against Gold Jewellery	43,507.81	21,052.11
Total Gross (A) (I)	**51,323.73**	**33,178.27**
Less: Impairment Loss Allowance	248.59	196.67
Total Net (A) (II)	**51,075.14**	**32,981.60**
(B) (i) Secured by Tangible Assets	51,323.73	33,178.27
(ii) Secured by Intangible Assets	-	-
(ii) Unsecured	-	-
Total Gross (B) (I)	**51,323.73**	**33,178.27**
Less: Impairment Loss Allowance	248.59	196.67
Total Net (B) (II)	**51,075.14**	**32,981.60**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	51,323.73	33,178.27
Total Gross (C) (I)	**51,323.73**	**33,178.27**
Less: Impairment Loss Allowance	248.59	196.67
Total Net (C) (II)	**51,075.14**	**32,981.60**
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	**-**	**-**
Total Net (C) (II) and (III)	**51,075.14**	**32,981.60**

Break up of Loan & Advances and Provisions thereon	As at Mar 31, 2026	
	Housing Loan	Non- Housing Loan
Standard Assets		
a) Total Outstanding Amount	7,000.91	43,914.83
b) Provisions made	25.37	110.53
Sub-Standard Assets		
a) Total Outstanding Amount	183.56	33.05
b) Provisions made	51.33	7.74
Doubtful Assets – Category-I		
a) Total Outstanding Amount	7.39	2.83
b) Provisions made	1.90	0.75
Doubtful Assets – Category-II		
a) Total Outstanding Amount	137.72	14.82
b) Provisions made	30.31	3.34
Doubtful Assets – Category-III		
a) Total Outstanding Amount	14.86	2.39
b) Provisions made	5.07	0.88
Loss Assets		
a) Total Outstanding Amount	11.07	0.30
b) Provisions made	11.07	0.30

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Break up of Loan & Advances and Provisions thereon	As at Mar 31, 2025	
	Housing Loan	Non- Housing Loan
Standard Assets		
a) Total Outstanding Amount	11,116.79	21,839.50
b) Provisions made	38.60	87.41
Sub-Standard Assets		
a) Total Outstanding Amount	28.21	4.47
b) Provisions made	7.65	1.22
Doubtful Assets – Category-I		
a) Total Outstanding Amount	120.14	9.74
b) Provisions made	27.39	2.30
Doubtful Assets – Category-II		
a) Total Outstanding Amount	29.55	9.76
b) Provisions made	9.02	3.00
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
b) Provisions made	11.07	0.30

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

6 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit- Unsecured; Considered Good		
-Security Deposit on Rent at Amortised Cost	38.86	57.54
-Fair value of security deposit on Rent Ind-AS	24.31	-
-Security Deposit (Others)	2.86	-
Accrued interest		
-on FD	30.52	43.71
-on Cash Collateral	1.06	1.75
Cash Collateral (Deposits)*	4.56	20.63
Others	38.12	88.50
Total	**140.29**	**212.13**

*** Cash collateral against borrowings**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance of Deferred Tax Asset	150.75	195.57
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	(4.02)	(45.28)
b. Changes in deferred tax recorded in other comprehensive Income	(0.97)	0.46
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	**145.76**	**150.75**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.34	0.70
Disallowances u/s 40A of the Income Tax Act, 1961	4.33	4.79
Impairment on financial instruments	7.07	-
Depreciation and amortisation expenses	5.68	7.76
Financial Instrument (Loans) measured at EIR	(27.17)	(67.83)
Financial Instrument (Borrowings) measured at EIR	(13.40)	6.35
Finance Cost measured at EIR	13.07	-
Lease Liability Impact	1.06	0.33
Special Reserve Created u/s 36(1)(viii)	5.00	2.62
Deferred Tax Assets	**(4.02)**	**(45.28)**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	(0.97)	0.46

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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.

8. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at Mar 31, 2026:

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2025	Addition	Deduction/Sale	As at March 31, 2026	As at April 01, 2025	For the Year	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
A. Property, Plant and Equipment									
Furniture and fixtures	221.29	64.64	0.80	285.12	104.83	40.32	145.16	139.97	116.45
Vehicles	31.68	-	-	31.68	22.52	2.80	25.32	6.36	9.16
Office Equipments	125.32	40.68	0.29	165.71	77.07	29.19	106.26	59.43	48.26
Computers	107.37	9.45	-	116.83	97.19	6.18	103.38	13.45	10.18
Plant and Machinery	17.66	-	-	17.66	8.72	1.62	10.34	7.32	8.94
Sub Total	**503.32**	**114.77**	**1.10**	**617.00**	**310.33**	**80.12**	**390.45**	**226.53**	**192.99**
Previous Year	397.16	130.61	24.45	503.32	243.02	67.31	310.33	192.99	154.15
B. Right of use Assets									
Office Premises (Right of Use asset)	1,373.42	445.74	-	1,819.17	507.66	188.28	695.94	1,123.23	865.77
Sub Total	**1,373.42**	**445.74**	**-**	**1,819.17**	**507.66**	**188.28**	**695.94**	**1,123.23**	**865.77**
Previous Year	973.71	399.71	-	1,373.42	352.68	154.98	507.66	865.77	621.03
C. Intangible Assets									
Softwares	243.36	19.91	-	263.26	145.89	34.64	180.53	82.74	97.47
Sub Total	**243.36**	**19.91**	**-**	**263.26**	**145.89**	**34.64**	**180.53**	**82.74**	**97.47**
Previous Year	208.43	34.94	-	243.36	115.55	30.34	145.89	97.47	92.90
D. Investment Property									
Residential Flat	123.66	-	-	123.66	5.10	5.77	10.87	112.79	118.56
Sub Total	**123.66**	**-**	**-**	**123.66**	**5.10**	**5.77**	**10.87**	**112.79**	**118.56**
Previous Year	-	123.66	-	123.66	-	5.10	5.10	118.56	-

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

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

Particulars	31-Mar-26	31-Mar-25
Rental income	6.00	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	5.77	5.10
Profit after depreciation	**0.23**	**0.40**

(ii) Fair Value of investment properties

Particulars	31-03-2026	31-Mar-25
Fair value*	170.10	118.56
Total	**170.10**	**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-Mar-26	31-03-2025
Not later than 1 year	6.50	6.00
Later than 1 year but not later than 3 years	1.10	7.10
Total	**7.60**	**13.10**

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	-	-	-	-	-	-	-	-	-

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 MARCH 31, 2026

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

Notes

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

9 Other non- financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with Statutory Authorities	10.19	8.99
Prepaid expenses	30.38	27.99
Other Advances	56.93	-
Total	**97.50**	**36.98**

10 Trade Payable

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	4.35	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.24	-
	5.59	**-**

Trade Payable ageing

Particulars	As as March 2026						
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed MSME	2.23	-	2.12	-	-	-	4.35
(ii) Undisputed Others	0.90	-	0.34	-	-	-	1.24
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
TOTAL	**3.13**	**-**	**2.46**	**-**	**-**	**-**	**5.59**

Trade Payable ageing

Particulars	As as March 2025						
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed MSME	-	-	-	-	-	-	-
(ii) Undisputed Others	-	-	-	-	-	-	-
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**

11 Debt Securities

Non-Convertible Securities

Particulars	As at March 31, 2026	As at March 31, 2025
1. (A) At Amortised Cost		
Redeemable non-convertible Debentures at Par*		
Secured and fully paid	14,154.27	-
	14,154.27	**-**
(B) Out of Above		
In India	14,154.27	-
Outside India	-	-
	14,154.27	**-**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

*Key Terms of the issue are as follows:

No	ISIN	Total No. Units	Face Value Per Unit (INR)	Coupan Rate	Principal Outstanding as on 31 March 2026	Date of Maturity
1	INE01XO07017	19980	10,000	12.25%	1,725.93	18.11.2027
2	INE01XO07025	16000	10,000	12.25%	1,586.02	16.01.2028
3	INE01XO07033	30000	10,000	11.75%	2,948.42	29.01.2028
4	INE01XO07041	40000	10,000	11.80%	3,948.08	26.02.2028
5	INE01XO07058	40000	10,000	11.80%	3,945.82	12.03.2028

12 Borrowings (other than debt securities)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	9,014.99	4,212.89
- From Other Non-Banking Financial Companies	15,652.21	11,256.53
- From National Housing Bank	-	347.17
Overdraft:		
- From Banks	-	716.18
Total	**24,667.20**	**16,532.77**
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	-	2,246.85
- From Related Parties	-	-
- From Other Parties	-	-
Total	**-**	**2,246.85**
Out of Above:		
In India	**24,667.20**	**18,779.62**
Outside India	**-**	**-**

12.1 Nature of Security

a Term Loans from Banks and Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 125% of loan value, 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 24 to 96 months.

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

12.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2026

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 ROI 10.50%-13.75%	5,025.75	3,448.42	540.81	-	9,014.98
From Non-Banking Financial Companies ROI 11.50%-14.00%	9,888.63	5,753.19	10.39	-	15,652.21
Overdraft:					
From Banks	-	-	-	-	-
Total Secured	**14,914.38**	**9,201.61**	**551.20**	**-**	**24,667.19**
EIR Impact					**178.93**
Total					**24,846.12**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

12.2 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 10.65%-15.00%					
From National Housing Bank (NHB)	347.17	-	-	-	347.17
ROI 8.25%-8.35%					
From Non-Banking Financial Companies	5,310.13	5,536.70	409.71		11,256.53
ROI 11.60%-14.50%					
Overdraft:					
From Banks	716.18	-	-	-	716.18
ROI 9.50%-12.10%					
Total Secured	**7,932.29**	**7,513.43**	**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**	**9,760.28**	**1,087.07**	**-**	**18,779.62**
EIR Impact					**125.69**
Total					**18,905.31**

12.3 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 MARCH 31, 2026

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

13 Lease Liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability* (Note 13.a)	1,290.52	993.09
Total	**1,290.52**	**993.09**

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

a. Lease Liability Movement

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	993.09	712.28
Add:		
Addition during the year	445.74	399.71
Interest on lease Liability	113.08	84.17
Less:		
Prior Period adjustments	(0.33)	-
Lease Rental Payments	(261.06)	(203.07)
Balance as at the end of the year	**1,290.52**	**993.09**

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2026	As at March 31, 2025
Less than One year	19.76	0.85
One to five Year	371.68	228.35
More than five Year	899.08	763.90
Total	**1,290.52**	**993.09**

14 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Interest Accrued But Not Due on Borrowings	101.34	89.84
Interest Accrued and Due on Borrowings	0.43	-
Interest Accrued But Not Due on Non-convertile Debentures	51.02	-
Expenses payable	126.90	126.63
Other Payables	12.42	4.57
Total	**292.11**	**221.04**

15 Current Tax Liability (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Provision	748.90	533.88
Less: Advance tax and Tax deducted at source	569.46	438.03
Total	**179.44**	**95.85**

16 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits		
-Gratuity	72.22	55.03
-Leave Encashment	10.81	9.46
Provision for Expenses	32.73	-
Total	**115.76**	**64.49**

17 Other non financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Payable to Statutory Authorities	54.75	47.45
Advance received on loans	-	9.88
Total	**54.75**	**57.33**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

18 Equity share capital

Particulars	As at Mar 31, 2026		As at March 31, 2025	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	10,00,00,000	10,000.00	10,00,00,000	10,000.00
Issued, subscribed and fully paid- up shares	**8,47,58,164**	**8,475.82**	**8,47,58,164**	**8,475.82**

18.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at Mar 31, 2026		As at March 31, 2025	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	8,47,58,164	8,475.82	6,59,23,000	6,592.30
- Issued during the year (Right Issue)#	-	-	1,88,35,164	1,883.52
Total Outstanding at the end of the period	**8,47,58,164**	**8,475.82**	**8,47,58,164**	**8,475.82**

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

18.2 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.

18.3 Shares held by the holding Company

Name of Shareholder	As at Mar 31, 2026		As at March 31, 2025	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	6,01,85,024	71.01%	6,01,85,024	71.01%

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

Name of Shareholder	As at Mar 31, 2026		As at March 31, 2025	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	6,01,85,024	71.01%	6,01,85,024	71.01%
Mr. Gopal Bansal	73,93,430	8.72%	73,93,428	8.72%
Mrs. Sunita Bansal	69,42,410	8.19%	69,42,410	8.19%

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

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

Name of Shareholder	As at Mar 31, 2026		As at March 31, 2025	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	6,01,85,024	71.01%	6,01,85,024	71.01%
Mr. Gopal Bansal	73,93,430	8.72%	73,93,428	8.72%
Ms. Sunita Bansal	69,42,410	8.19%	69,42,410	8.19%

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

19 Other Equity

Particulars	As at March 31, 2026		As at March 31, 2025	
Statutory Reserve				
(In terms of section 45-IC of the RBI Act, 1934)				
Balance as per last financial statements	1,016.24		653.69	
Add: Transferred during the year	432.56		362.55	
Net Balance of Special Reserve		1,448.80		1,016.24
Securities Premium				
Opening balance	2,595.18		1,021.19	
Add: addition/(deletion) during the year	-		1,573.99	
Closing balance		2,595.18		2,595.18
Retained earnings				
Opening balance	3,891.36		2,439.38	
Changes in Accounting policy/prior period error	(2.02)		1.78	
Add: Profit/(loss) for the year	2,162.79		1,812.76	
Less: Appropriation to Statutory reserve	(432.56)		(362.55)	
Closing balance		5,619.57		3,891.36
Equity instruments through other *comprehensive income*				
Opening balance	(4.30)		(2.95)	
Add: addition/(deletion) during the year	2.88		(1.35)	
Closing balance		(1.42)		(4.30)
Total		**9,662.13**		**7,498.48**

19.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 45-IC of the RBI Act, 1934, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. The company doesn't anticipate any withdrawal from Statutory Reserve in

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.

20 Interest Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
On financial assets measured at amortised cost		
- on HL loans	2,446.00	3,401.44
- on GL loans	5,425.47	3,026.89
- on Others	108.01	363.74
- Interest on Deposits with Banks	38.22	58.79
Total	**8,017.70**	**6,850.86**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

21 Fees and Commission Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Fees and Other Charges	394.18	213.15
Total	**394.18**	**213.15**

22 Other Income From Operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Other Income From Operation	48.96	47.17
Total	**48.96**	**47.17**

23 Other Income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Other Interest Income	1.30	3.22
Gain on Investments	34.25	
Advertisement Income	14.67	2.85
Rental Income	6.00	5.50
Other Misc. Income	49.47	14.33
Unwinding of Interest Income on Security (Ind AS)	3.63	-
Total	**109.32**	**25.90**

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

24 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
- Interest on borrowings	3,192.42	2,432.92
- Interest expense on lease liabilities	113.08	84.17
Dep & Amortisation of Fair value adjustment	4.90	-
- Bank Charges	9.32	28.26
- Other Borrowing cost	-	29.94
Total	**3,319.71**	**2,575.29**

25 Impairment on Financial Instruments

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On Financials Instruments measured at amortised Cost		
- Loans	51.92	-
Total	**51.92**	**-**

26 Employee benefits expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and Wages	1,257.42	1,155.29
Contribution to Provident and Other Funds	70.38	59.56
Staff Welfare Expenses	14.56	16.33
Other Benefits	135.53	106.12
Total	**1,477.89**	**1,337.30**

27 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent expenses	66.57	55.20
Repair & Maintenance	21.80	23.36
Professional charges	38.98	98.47
Insurance Expense		
- Car Insurance	0.04	0.14
- Office Insurance	46.03	35.84
Advertisement expenses	10.94	18.90
Bad Debts written off	3.70	3.56
Payments to Auditors	3.46	3.05
Conveyance expenses	30.02	42.36
Communication Expense	4.97	5.80
Documentation & stamp charges	5.63	13.61
Document Handling & Storage Expense	5.72	6.56
Donations		
- for Corporate Social Responsibility	30.81	15.47
Fee & subscriptions	38.44	35.17
Legal & technical charges	2.74	20.99
Business Development Expenses	9.38	0.72
Printing & Stationery	8.03	11.27
Power & Fuel	27.11	31.82
Software expenses	74.67	63.90
Other expenses	49.41	88.65
Total	**478.46**	**574.84**

27.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
- for statutory audit	1.64	1.64
- for tax audit	0.55	0.55
- for certification fees	1.27	0.86
Total	**3.46**	**3.05**

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

1. Corporate Information:

IFL Finance Limited (formerly known as IFL Housing Finance Limited), a subsidiary of India Finsec Limited, is a public limited company incorporated in India under the provisions of the Companies Act, 2013.

The Company is registered with the Reserve Bank of India as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) with effect from June 26, 2025.

Previously, the Company was registered as a Housing Finance Company under Section 29A of the National Housing Bank Act, 1987 and was primarily engaged in Home Loans and Loan Against Property (LAP). In December 2020, the Company expanded into Gold Loans. Considering the strong growth potential of this segment, the Company realigsned its strategic focus from April 2024 towards gold loan business.

The Company has its registered and corporate office in Delhi and operates through branches across 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 the 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").

The Company, being a Base Layer Non-Banking Financial Company – Investment and Credit Company (NBFC–ICC), complies with the applicable provisions of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as updated from time to time, and other relevant directions, circulars and guidelines issued by the Reserve Bank of India.

The Company has also considered the applicable provisions of the Master Direction – Non-Banking Financial Company – Financial Statements: Presentation and Disclosures Directions, 2025 and other applicable regulatory framework governing NBFCs, to the extent relevant, in the preparation and presentation of these financial statements.

These financial statements are duly approved by the Board of Directors on 13 May 2026.

(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
- Discounting of Security Deposits

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 2025 or thereafter

Amendments effective from April 1, 2025

- **Ind AS 21 - The Effects of Changes in Foreign Exchange Rates**

In May 2025, Ind AS 21 Amendments – for Exchangeability clarifies how to assess exchangeability and determine spot rates when currencies can't be exchanged, with disclosure of impacts on performance, position, and cash flows. The Company has evaluated the impact of the said amendment and concluded that it does not have any impact on its financial statements.

- **Ind AS 1 - Presentation of Financial Statements**

In August 2025, the MCA notified amendments relating to the classification of liabilities as current or non-current, including guidance on non-current liabilities with covenants. The amendments clarify that the right to defer settlement must exist as at the reporting date and should be substantive. The Company has assessed the amendment and concluded that there is no impact on the classification of its current and non-current liabilities.

- **Ind AS 7 - Statement of Cash Flows** and **Ind AS 107 - Financial Instruments: Disclosures**

The amendments introduce disclosure requirements for supplier finance arrangements, including details of the nature of such arrangements, carrying amounts of related liabilities, and payment terms. Additionally, such arrangements are considered in assessing concentration of liquidity risk.The Company has evaluated these amendments and determined that they do not have any impact on its financial statements.

- **Ind AS 12 - Income Taxes – International Tax Reform: Pillar Two Model Rules**

The amendments introduce a temporary mandatory exception from the recognition of deferred taxes arising from the implementation of the Pillar Two Model Rules and require disclosure of its application. As the Company has not undertaken transactions of this nature, these amendments have no impact on 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.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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

Depreciation on Property, Plant and Equipment 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

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(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, if any, 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.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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 amortised 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 agreement 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 or facilities with present credit risk is medium, and falling between zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is high & falling between zero to thirty days past due (DPD). It also includes Facilities which are under-performing assets having 31 to 90 DPD, having any credit risk of low, medium or high.

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.

Being a NBFC-ICC, 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:

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

30. Special reserve:

In accordance with the requirements of Section 45-IC of the Reserve Bank of India Act, 1934, the Company, being an NBFC-ICC, is required to transfer at least 20% of its net profit each year to a Special Reserve before declaration of any dividend.

Accordingly, during the year, the Company has transferred ₹432.56 lakhs to the Special Reserve in compliance with Section 45-IC of the RBI Act, 1934.

31. 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. 43.95 Lakhs (March 31, 2025: Rs. 34.93 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. 5.23 lakhs (March 31, 2025: Rs. 5.62 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, 2026	As at March 31, 2025
Present value of obligation at the end	72.22	55.03

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	As at March 31, 2026	As at March 31, 2025
Service Cost	17.42	14.62
Net Interest Cost	3.60	2.59
Total expense recognised in the employee benefit expense	21.03	17.21

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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

(Rs. in lakhs)

Particular	As at March 31, 2026	As at March 31, 2025
Present value of obligation as at the beginning of the year	55.03	36.01
Service cost	17.42	14.62
Net Interest Cost	3.60	2.59
Re-measurements	-3.83	3.61
Benefit paid	0	(1.80)
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	**72.22**	**55.03**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particular	As at March 31, 2026	As at March 31, 2025
i) Discount rate	6.55%	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. 10.81 Lakhs.

Expense recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2026	As at March 31, 2025
Total Employer Expense	2.37	4.81

Balance Sheet Position as on valuation date

(Rs. in lakhs)

Particular	As at March 31, 2026	As at March 31, 2025
Net asset/(liability) recognised in balance sheet	(10.81)	(9.45)

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

32. 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, 2026			As at March 31, 2025		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	5634.35	-	5634.35	1135.59	-	1135.59
(b) Bank Balance other Cash and cash equivalents	259.26	-	259.26	269.13	124.75	393.88
(c) Loans*	45968.36	5106.78	51075.14	23,730.78	9,250.82	32,981.60
(d) Investments	-	-	-	-	-	-
(e) Other financial assets	74.27	66.02	140.29	147.04	65.09	212.13
Total Financial assets	**51936.39**	**5172.80**	**57109.04**	**25282.54**	**9440.66**	**34723.20**

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

(Rs. in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	4.35	-	4.35	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.24	-	1.24	-	-	-
(b) Debt Security	3299.00	10855.27	14154.27	-	-	-
(c) Borrowings (other than debt securities)	9752.83	14914.37	24667.20	7,932.28	10,847.34	18,779.62
(d) Lease Liabilities	19.76	1270.76	1290.52	38.98	954.11	993.09
(e) Other financial liabilities	292.11	0	292.11	221.03	0	221.03
Total Financial liabilities	**18530.84**	**21878.85**	**40409.69**	**8192.29**	**11801.45**	**19993.74**

2. Contingent liabilities and commitments:

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2026	As at March 31, 2025
	Contingent liabilities and commitments		
(I)	Claims against the company not acknowledged as debts	-	-
(II)	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, 2026	As at March 31, 2025
Tier I capital	17909.45	14,860.31
Tier II capital	135.89	2,353.65
Total capital (Tier I + Tier II)	**18045.34**	**17,213.96**
Adjusted value of funded risk assets i.e. On Balance Sheet Item	53114.14	26,173.87
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	0.00	0.00
Total Risk weighted assets	**53114.14**	**26,173.87**
Tier I capital ratio	33.72%	56.78%
Tier II capital ratio	0.25%	8.99%
Total capital ratio	**33.97%**	**65.77%**

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.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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, 2026 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Amortised Cost			
	Level-1	Level-2	Level-3	Total
(i) Cash and cash equivalents	-	-	5634.35	5634.35
(ii) Bank Balance other than Cash and cash equivalents	-	-	259.26	259.26
(iii) Loans	-	-	51075.14	51075.14
(iv) Other financial assets	-	-	140.29	140.29

-

Particulars	At Fair Value Through Amortised Cost			
	Level-1	Level-2	Level-3	Total
Trade Payables	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	4.35	4.35
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1.24	1.24
Debt Securities	14154.27	-	-	14154.27
Borrowings (other than debt securities)	-	-	24667.20	24667.20
Lease Liability	-	-	1290.52	1290.52
Other financial liabilities	-	-	292.11	292.11

- During the FY 2025-26 and FY 2024-25 there were no transfers between level-1, level-2 and level-3

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 Amortised Cost			
	Level-1	Level-2	Level-3	Total
(i) Cash and cash equivalents	-	-	1135.59	1135.59
(ii) Bank Balance other than Cash and cash equivalents	-	-	393.88	393.88
(iii) Loans	-	-	32981.60	32981.60
(iv) Other financial assets	-	-	212.13	212.13

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Particulars	At Fair Value Through Amortised Cost			
	Level-1	Level-2	Level-3	Total
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	-	-	-	-
Debt Securities	-	-	-	-
Borrowings (other than debt securities)	-	-	18779.62	18779.62
Lease Liability	-	-	993.09	993.09
Other financial liabilities	-	-	221.03	221.03

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, 2026	AS AT MARCH 31, 2025	AS AT MARCH 31, 2026	AS AT MARCH 31, 2025
Financial assets					
Cash and cash equivalents	3	5634.35	1,135.59	5634.35	1,135.59
Bank Balance other Cash and cash equivalents	3	259.26	393.88	259.26	393.88
Loans	3	51075.14	32,981.60	51075.14	32,981.60
Other financial assets	3	140.29	212.13	140.29	212.13
Financial assets		**57109.04**	**34,723.20**	**57109.04**	**34,723.20**
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	4.35	-	4.35	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	1.24	-	1.24	-

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

Debt Securities	1	14154.27	-	14154.27	-
Borrowings (other than debt securities)	3	24667.20	18,779.62	24667.20	18,779.62
Lease Liability	3	1290.52	993.09	1290.52	993.09
Other financial liabilities	3	292.11	221.03	292.11	221.03
Financial liabilities		**40409.69**	**19,993.74**	**40409.69**	**19,993.74**

* The management assessed that the carrying amount of cash and cash equivalents, other Bank balances, Trade receivables, Trade payables and other short term financial assets and liabilities approximate there fair values due to short term maturities.

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 or facilities with present credit risk is medium, and falling between zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is high & falling between zero to thirty days past due (DPD). It also includes Facilities which are under-performing assets having 31 to 90 DPD, having any credit risk of low, medium or high.

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.

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

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

As at March 31, 2026:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	49606.61	1309.12	408.00
Allowance for ECL	131.66	4.23	112.70
ECL Coverage Ratio (%)	**0.27%**	**0.32%**	**38.16%**

As at March 31, 2025:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	28,614.86	4,341.44	221.97
Allowance for ECL	106.80	19.21	70.67
ECL Coverage Ratio (%)	**0.37%**	**0.44%**	**31.84%**

Movement of impairment loss allowance for FY 2025-26

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2025	106.80	19.21	70.67
New Addition/Reduction during the year	24.86	(14.98)	42.03
Impairment Loss Allowance as at March 31, 2026	**131.66**	**4.23**	**112.70**

Movement of impairment loss allowance for FY 2024-25

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 extends fully secured loans to Customers against adequate collateral.

To mitigate credit risk on its financial assets pertaining to Housing loan and Loan against property, it enforces security interests under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) or initiates proceedings under Section 138 of the Negotiable Instruments Act, 1881, as applicable, along with other legally permissible remedies.

Loans against gold jewellery are extended against the pledge of gold jewellery, with the loan-to-value (LTV) ratio maintained in accordance with the guidelines prescribed by the Reserve Bank of India under the applicable Master Directions. The Company enforces its security, where required, through auction of the pledged gold jewellery in accordance with its Board-approved Auction Policy and the regulatory guidelines issued by the Reserve Bank of India. Auctions are generally initiated before the outstanding loan amount, including accrued interest, exceeds the realisable value of the underlying gold. The Company provides adequate notice and reasonable opportunity to the borrower for repayment after the loan becomes overdue and undertakes all reasonable efforts for recovery prior to initiating auction proceedings. Auction is resorted to only as a last measure in unavoidable circumstances. Any shortfall arising on auction is recoverable from the borrower, and any surplus realised over and above the outstanding dues is refunded to the borrower in accordance with applicable guidelines.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2026 are as under:-

(Rs. in lakhs)

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	5634.35	-	-	-	-	-	-	-	5634.35
Bank Balance other than Cash and cash equivalents	-	-	259.26	-	-	-	-	-	259.26
Loans	1493.77	712.91	766.14	3955.88	39026.31	3263.16	1109.54	747.45	51075.14
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	38.12	-	30.52	-	-	5.63	0.00	66.02	140.29
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	2.12	-	2.23	-	-	-	-	-	4.35
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1.24	-	-	-	-	-	1.24
Debt Securities	200.00	249.75	-	1199.75	1649.50	10855.27	-	-	14154.27
Borrowings (other than debt securities)	1320.77	1282.56	1275.65	4394.93	6640.46	9201.61	551.22	-	24667.20
Lease Liability	-	-	-	-	19.76	57.61	314.07	899.08	1290.52
Other financial liabilities	280.37	-	-	11.74	-	-	-	-	292.11

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2025 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	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
Lease Liability	-	-	-	-	38.98	-	-	954.11	993.09
Other financial liabilities	221.03	-	-	-	-	-	-		221.03

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

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. 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 and Loans & Advances given 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, 2026	As at March 31, 2025
On Floating Rate Borrowings		
1% increase in interest rate	137.74	157.43
1% decrease in interest rate	(137.74)	(157.43)
On Floating Rate Loans and Advances		
1% increase in interest rate	9.94	12.54
1% decrease in interest rate	(9.94)	(12.54)

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.
The Company also undertakes periodic mark-to-market (MTM) monitoring of the value of underlying gold collateral to assess adequacy of security and initiate timely risk mitigation measures, wherever required.
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:

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(Rs. in lakhs)

Particular	As at March 31, 2026	As at March 31, 2025
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) Ms. Sunita 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	Mr. Ashish Bansal (Non-Executive 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 Ms. Renu Bansal Mr. Vishnu Kumar Bansal

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s Gopal Bansal HUF M/s Arvind Kumar Bansal HUF M/s Gopal Bansal LLP M/s Daisy Distributors Private LImited
(v)	Others	Mr. Jasvinder Singh Ms. Anu Kaur

* Change in Designation from Non-executive Director to Whole-time Director w.e.f 20.08.2025
** resigned w.e.f 13.07.2024 in FY 2024-25
*** Change in Designation from Whole-time Director to Non-executive Director w.e.f 20.08.2025

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	
			31/03/2026	31/03/2025	31/03/2026	31/03/2025
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	29.30	2.06	2.06
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	20.51	14.65	1.53	1.54
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	10.86	9.96	0.90	0.90
	Mr. Ashish Bansal	Director remuneration	5.67	14.65	NIL	1.14
	Ms. Prerna Matta Arora	Salary	28.50	23.63	0.84	2.07
	Ms. Varsha Bharti	Salary	NIL	2.99	NIL	NIL
	Ms. Shivani Jindal	Salary	8.38	4.45	0.71	0.66
(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Loan Taken	NIL	167.53	NIL	NIL
		Loan Repaid	NIL	167.53	NIL	NIL
		Interest Paid	NIL	7.52	NIL	NIL
		Allotment of Equity shares				
	Santosh Bansal	Loan Taken	NIL	150.00	NIL	NIL

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

		Loan Repaid	NIL	150.00	NIL	NIL
		Interest Paid	NIL	8.67	NIL	NIL
	Virender Kumar Bansal	Loan Taken	NIL	176.11	NIL	NIL
		Loan Repaid	NIL	176.11	NIL	NIL
		Interest Paid	NIL	7.92	NIL	NIL
	Nidhi Bansal	Loan Taken	NIL	181.95	NIL	NIL
		Loan Repaid	NIL	181.95	NIL	NIL
		Interest Paid	NIL	7.02	NIL	NIL
	Charu Bansal	Professional Charges	9.60	19.20	NIL	1.44
	Geetanjali Bansal	Professional Charges	7.92	15.84	NIL	1.19
	India Finsec Limited	Allotment of Equity shares	NIL	3,484.51	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	NIL	7.63	NIL	10.90
	India Finsec Limited	Loan Taken	NIL	639.00	NIL	NIL
		Loan Repaid	NIL	639.00	NIL	NIL
		Interest Paid	NIL	14.13	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 31.03.2026	For the Year 31.03.2025	% Variance	Reason for variance
(a) Capital to Risk-	Tier I+ Tier II Capital	Adjusted value of funded risk assets	33.97%	65.77%	-48.37%	Due to increase in Risk

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Weighted Assets Ratio		i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item				Weighted Assets (increase in AUM)
(b) Tier I CRAR	Tier I Capital		33.72%	56.78%	-40.63%	
(c) Tier II CRAR	Tier II Capital		0.25%	8.99%	-97.11%	Due to increase in Risk Weighted Assets(increase in AUM) and decrease in Unsecured loan value in Tier II capital
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	1666.79%	4.23%	580.68%	Higher amount of Cash & Cash Equivalents.

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

During the year under review, the Company auctioned **1114** Number of loan accounts (Previous Year: 1020 Number of loan accounts). The outstanding dues on these loan accounts were **Rs. 400.19 Lakhs** (March 31, 2025: **Rs. 467.15 Lakhs**) exclusive of GST till the respective date of auction. The Company realized **Rs. 498.75 Lakhs** (March 31, 2025: **Rs. 501.13 Lakhs**) on auctioning of gold Jewellery taken as pledge on these loans. The Excess realized Amount was refundable to Customers.

41. On 8th April 2025, the name of the company has been changed from the IFL Housing Finance Limited to IFL Finance Limited. Further, the Company has been converted into Non-Banking Financial Company (NBFC)-ICC vide Certification of Registration No. N-14.03651 dated 26th June, 2025 issued by the Reserve Bank of India.

42. Additional Regulatory Disclosures

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

(ii) Wilful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The provision with respect to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

(v) Compliance with approved scheme(s) of arrangements

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

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

(ix) Valuation of Property, Plant & Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

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

The Company does not have any immovable property where the title deed of immovable properties not held in name of the company.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(xii) Ratio

SNO	Particulars	31.03.2026	31.03.2025
1	Debt Equity Ratio	2.14	1.18
2	Net Worth (In Lakhs)	17,992.19	15,823.55
3	Net Profit after Tax (In Lakhs)	2,162.79	1,812.75
4	Earning Per Share Basic (in Rupee)	2.55	2.65
5	Earning Per Share Diluted (in Rupee)	2.55	2.65
6	Total Debts to Total Assets	65.91%	51.90%
7	Net profit margin percent	25.56%	25.49%
8	Outstanding Debt	38,821.47	18,779.62
9	Stage 3 Loans Assets/Gross Assets	0.79%	0.67%
10	Net Stage 3 Loans Assets/Gross Assets	0.58%	0.46%
11	Provision Coverage Ratio	27.62%	31.83%
12	Capital Adequacy Ratio	33.97%	65.77%

- Debt-Equity Ratio = {Debt securities+ Borrowings (other than debt Securities) + Subordinated liabilities} / {Equity share capital + Other equity}
- Net Worth = Equity share capital + Other equity - Deferred Tax Assets
- Outstanding Debt = Debt securities+ Borrowings (other than debt securities)+Subordinated liabilities
- Total debts to total assets= {Debt securities + Borrowings (other than debt securities)+ Subordinated liabilities} / Total assets
- Net profit margin (%) = Net Profit after Tax / Revenue from Operations
- Stage III loan assets to Gross loan assets = Stage III loan assets/ Gross loan assets (Based on principal amount of loan assets)(As per Ind-AS)
- Net Stage III loan assets to Gross loan assets= {Stage III loan assets - Expected credit loss provision for Stage III loan assets}/ Gross loan assets (Based on principal amount of Loan assets)(As per Ind-AS)
- Capital Adequacy Ratio has been computed as per RBI guidelines
- Provision Coverage Ratio= Expected credit loss provision for Stage III loan assets / Stage III Loans Assets

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

43. Disclosure as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

A. Loans against gold and silver collateral

The Company has adopted the new provisions pertaining to the Gold loan segment prescribed under the circulars issued by the Reserve Bank of India in November 2025, including the NBFC – Credit Facilities Directions, 2025 and the NBFC – Responsible Conduct of Business Directions, 2025, with effect from April 1, 2026, pursuant to the Board meeting held on 30 March 2026.

B. Disclosure related to Project Finance :

The Company does not have any exposure to Project finance in the current and previous year.

C. Non-Fund Based (NFB) Credit Facilities

The Company does not have any exposure to Non-Fund Based (NFB) Credit Facilities in the current and previous year.

D. Disclosures on Co-Lending Arrangements

The Company has a co-lending arrangement in the gold loan segment with a sanctioned limit of ₹50 Crores with Grow Money Capital Pvt. Ltd (Grow Money). During the year, the total loan amount disbursed under the arrangement aggregated to ₹39.60 Crores, comprising the Company's share of 10% amounting to ₹3.96 Crores and the co-lender's share of 90% amounting to ₹35.64 Crores.

As at 31 March 2026, the total outstanding under the co-lending portfolio stood at ₹8.06 Crores, of which the Company's share (10%) was ₹0.81 Crores and the co-lender's share (90%) was ₹7.25 Crores.

Under the arrangement, loans are extended to customers at rates as per the prevailing co-lending scheme, with a weighted average interest rate of 13.14%, and an average processing fee of 0.21% charged to customers. Servicing fee of 0.05% on outstanding AUM of Grow Money's share is payable by Co-lending partner to the Company. The entire exposure relates to the gold loan sector.

As at the reporting date, all loans under the co-lending arrangement are classified as standard assets. No default loss guarantee has been provided or received in respect of this arrangement.

E. Disclosures relating to securitization

The Company does not have any exposure to Securitization in the current and previous year.

F. Disclosure of transfer of loan exposure

The Company does not have any exposure to Transfer of Loan exposure in the current and previous year.

G. Disclosure on restructuring of advances

The Company has not carried out restructuring of advances in the current and previous year.

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H. Disclosure regarding percentage of outstanding loans granted against Gold and Silver Collateral to outstanding total assets

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(Amount in ₹ Lakhs)

Particulars	As at May 31, 2026	As at March 31, 2025
Gross Loan Outstanding against Gold Collateral	43,507.81	21,052.11
Gross Loan Outstanding against Silver Collateral	-	-
Gross Total Loans Outstanding	51,323.73	33,178.27
Percentage of outstanding loans granted against the collateral gold Jewellery to outstanding total assets	84.77%	63.45%

I. Exposure

a. Exposure to real estate sector

(Amount in ₹ Lakhs)

Category	Current Year	Previous Year
i) Direct exposure a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	7800.48	12107.18
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily 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.	15.44	18.98
c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures – i. Residential ii. Commercial Real Estate	-	-
ii) Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
Total Exposure to Real Estate Sector	7815.92	12126.16

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

b. Exposure to capital market

(Amount in ₹ Lakhs)

Particulars	Current Year	Previous Year
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) Underwriting commitments taken up by the NBFC in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds: 1. Category I 2. Category II 3. Category III	-	-
Total exposure to capital market	-	-

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

c. Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
I Housing Loans	7355.51	370.52	5.04%	11314.25	206.00	1.82%
II LAP	460.41	24.11	5.24%	811.91	15.98	1.97%
III Gold Loan	43507.81	13.37	0.03%	21052.11	-	-
Others	-	-	-	-	-	-
Total of Industry (i+ii+...+Others)	51323.73	408.00	0.79%	33178.27	221.98	0.67%
3. Services						
i...	-	-	-	-	-	-
ii...	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Services (i+ii+...+Others)	-	-	-	-	-	-
4. Personal Loans						
i...	-	-	-	-	-	-
ii...	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Personal Loans (i+ii+...+Others)	-	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-	-

d. Intra-group exposures

The company does not have any intra group exposure in current and previous year.

e. Unhedged foreign currency exposure

The company does not have any Unhedged foreign currency exposure in current and previous year.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

f. Related party disclosure

(Amount in Lakhs)

Related Party / Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		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	-	639.00	-	-	-	-	-	-	-	675.59	-	-	-	1314.59
Borrowings Paid	-	639.00	-	-	-	-	-	-	-	675.59	-	-	-	1314.59
Allotment of Equity Shares	-	3484.51	-	-	-	-	-	-	-	-	-	-	-	3484.51
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	14.13	-	-	-	-	-	-	-	31.13	-	-	-	45.26
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission Paid for Bank Guarantee	-	7.63	-	-	-	-	-	-	-	-	-	-	-	7.63
Salaries and Director Remuneration Paid	-	-	-	-	-	-	97.54	99.63	5.67	-	-	-	101.50	99.62
Rent paid	-	-	-	-	-	-	9.00	9.00	-	-	9.00	9.00	18.00	18.00
Professional Charges Paid	-	-	-	-	-	-	-	-	17.52	35.04	-	-	17.52	35.04

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

g. Disclosure of complaints

a. Summary information on complaints received by an NBFC from customers and from the Offices of Ombudsman

Sr. No		Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers			
1.		Number of complaints pending at beginning of the year	0	0
2.		Number of complaints received during the year	3	4
3.		Number of complaints disposed during the year	3	4
	3.1	Of which, number of complaints rejected by the NBFC	-	-
4.		Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman			
5.		Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

b. Top five grounds of complaints received by the NBFC from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Current Year				
Loans & Advances	0	3	25%	0	0
Total	0	3	25%	0	0
	Previous Year				
Loans & Advances	0	4	33.33%	0	0
Total	0	4	33.33%	0	0

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

h. Loans to directors, senior officers and relatives of directors

	Current Year	Previous Year
Directors and their relatives	NIL	NIL
Entities associated with directors and their relatives	NIL	NIL
Senior Officers and their relatives	NIL	NIL

i. Currency futures

The Company has no transactions related to currency futures in current and previous year.

j. Investments

(Amount in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
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	-	-

k. Provisions and Contingencies

(Amount in Lakhs)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2026	As at March 31, 2025
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	748.90	533.88
3. Provision towards NPA	112.70	70.66
4. Provision for Standard assets	135.89	126.01
5. Provision for Sub-standard assets	59.07	8.87
6. Provision for Doubtful assets	42.25	50.42
7. Provision for Loss Assets*	11.37	11.37
8. Provision for Employee Benefits	83.03	64.47
9. Other Provision and Contingencies (with details)	-	-

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

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

l. Disclosure on Over 90 DPD Non-Impaired Accounts:

Under RBI guidelines for Ind AS implementation, NBFCs must disclose accounts past due beyond 90 days that are not treated as credit-impaired. As the Company strictly classifies all financial assets with DPD exceeding 90 days as Credit-Impaired (Stage 3) / Non performing Asset, the outstanding amount, overdue amount, and count of such accounts are Nil (Previous Year: Nil).

m. Sales out of Amortised Cost Portfolios:

There were no sales or transfers executed during the year, the disclosure requirements regarding asset sales from amortised portfolios are Not Applicable (Previous Year: Nil).

n. Disclosure on Derivatives:

Company has no exposure in Derivatives. Hence disclosures pertaining to derivatives are not applicable.

44. Disclosure on Liquidity Risk :

Public Disclosure on Liquidity risk for the year ended 31 March 2026 pursuant to RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for NBFCs :

RBI has issued guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies. As per the guidelines, the disclosure on liquidity risk as at March 31, 2026 is as under:

i) Funding Concentration based on significant counterparty

ber of significant counterparty	Amount (Rs. In Lakhs)*	% of Total Deposits	% of Total Liabilities
2	6630.36	N.A	16.27%

Note:

1 Included only Principal amount.

2 "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1 % of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

3 Total Liabilities has been computed as Total Assets less Equity Share Capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

ii) Top 20 large deposits (amount in Rs. Lakhs and % of total deposits).

NIL, the company is registered with RBI as non-deposit taking NBFC.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

iii) Top 10 borrowings (amount in Rs. Lakhs and % of total borrowings*)

Amount (Rs. Lakhs)	% of total borrowings
4052.32	16.43%
2578.04	10.45%
1891.28	7.67%
1720.96	6.98%
1464.17	5.94%
1426.53	5.78%
1272.27	5.16%
1271.35	5.15%
1030.22	4.18%
989.65	4.01%

Note: Included only principal amount and considered basis outstanding amount.

iv) Funding Concentration based on significant Instrument / Product

S. No	Name of the Product	Number of Counterparties	Amount (Rs. Lakhs)	% of Total Liabilities
1	Long Term Loans	28	24,667.20	60.52%
2	Long Term NCD	5	14,154.27	34.73%
3	Short Term NCD	-	-	-
4	Short term Loans	-	-	-
5	Commercial Papers	-	-	-

v) Stock Ratios:

Short term Liability to Total Assets	0.89%
Short term Liability to Long Term Assets	1.00%
Short-term Liabilities to Total Outstanding Liabilities	1.29%
Short-term Liabilities to Total Public Funds	3.72%
Commercial Paper to Total Assets	NIL
Commercial Paper to Total Liabilities	NIL
Commercial Paper to Total Public Funds	NIL
Non-convertible debentures (NCDs) (original maturity of less than 1 year) to Total Assets	5.60%
Non-convertible debentures (NCDs) (original maturity of less than 1 year) to Total Liabilities	5.60%
Non-convertible debentures (NCDs) (original maturity of less than 1 year) to Total Public Funds	23.31%
Long-term assets to Total assets	89.70%

vi) Institutional set up for liquidity risk management:

The company has well defined ALM policy which covers various aspects of liquidity risk management. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources and investment of surplus funds.
The Asset Liability Management Committee, inter alia reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning and contingency planning.

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

45. Credit Default Swaps

The Company has not entered into any Credit Default Swap contracts in current and previous year, the disclosure is not applicable.

46. Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' is as follows:

(Amount in ₹ Lakhs)

Asset Classification as per RBI Norms	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 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	49606.61	131.66	49474.94	124.96	6.70
	Stage 2	1309.12	4.23	1304.89	3.37	0.87
Subtotal		50915.73	135.89	50779.84	128.32	7.57
Non-Performing Assets (NPA)						
Substandard	Stage 3	216.61	59.07	157.54	20.91	38.16
Doubtful - up to 1 year	Stage 3	10.22	2.66	7.56	1.78	0.89
1 to 3 years	Stage 3	152.54	33.65	118.89	33.65	-
More than 3 years	Stage 3	17.25	5.93	11.32	5.93	-
Subtotal for doubtful		180.01	42.25	137.76	41.36	0.89
Loss	Stage 3	11.38	11.38	0	11.38	-
Subtotal for NPA		408.00	112.70	295.31	73.65	39.04
Other items such guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	49606.61	131.66	49474.94	124.96	6.70
	Stage 2	1309.12	4.23	1304.89	3.37	0.87
	Stage 3	408.00	112.70	295.31	73.65	39.04
	Total	51323.73	248.59	51075.14	201.98	46.61

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

47. Disclosure under Schedule to the Balance Sheet – Annex I of RBI Directions, 2025

(Amount in Lakhs)

Particulars	As at March 31, 2026	
Liabilities side	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	14,205.29	-
: Unsecured	-	-
(other than falling within the meaning of public deposits")		
(b) Deferred Credits	-	-
(c) Term Loans	24,768.97	-
(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, 2026**	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	51,323.73	
(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	-	

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(5) Break-up of Investments*	
Current Investments	
a. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
b. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
Long Term Investments	
a. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
b. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

(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	51,075.14	-	51,075.14
Total	51,075.14	-	51,075.14

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, 2026		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Total	-	-	-

8. Other Information

Particulars	Amount as at March 31, 2026
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	408.00
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	295.31
(iii) Asset acquired in satisfaction of Debt	-

**Investment Property not included*

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

48. During the financial year ended March 31, 2026, the Company/Management has reclassified comparative figures wherever deemed fit/necessary.
49. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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

Sd/-

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588GMASCK3257

New Delhi, the 13th day of May, 2026

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
Whole Time Director
DIN: 02801660

Sd/-

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Sd/-

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C



IFL FINANCE LIMITED

(Formerly Known as IFL Housing Finance Limited)

Registered Oiffice :
D-16, First Floor, above ICICI Bank, Prashant Vihar, Sector 14,
Rohini, Delhi, 110085
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Website : www.iflfinanceltd.com