



India Finsec Limited
(L65923DL1994PLC060827)

Date: 03.09.2026

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

Scrip Code: 535667; Scrip Id: IFINSEC

Sub: Submission of 32nd Annual Report for F.Y. 2025-26 of the Company, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2025-26 along with notice of the 32nd Annual General Meeting of the Company scheduled to be held on Tuesday, 29th September, 2026, at 11:30 a.m. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM').

The aforesaid documents are also available on the website of the company at <https://www.indiafinsec.in/investors-info>

This is for your information and record.

Thanking You,

Yours Faithfully,
For India Finsec Limited

PRACHI
BANSAL

Ms. Prachi Bansal
Company Secretary

Digitally signed by PRACHI BANSAL
DN: cn=PRACHI BANSAL, o=INDIA FINSEC LIMITED,
street=JALSA, postal=PRACHI BANSAL, serial=1,
serialNumber=1, email=PRACHI.BANSAL@INDIAFINSEC.COM,
c=IN



India Finsec Limited

ANNUAL REPORT

BUILDING TRUST. EMPOWERING FUTURES.
CREATING LASTING VALUE.

FINANCIAL YEAR

2025-26



TRUST
WE BUILD



GROWTH
WE DRIVE



RELATIONSHIPS
WE VALUE



FUTURES
WE SHAPE

India Finsec Limited



India Finsec Limited

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FY 2025-26



TRUST



GROWTH



RELATIONSHIPS



FUTURES

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TRUST
WE BUILD



GROWTH
WE DRIVE



RELATIONSHIPS
WE VALUE



FUTURES
WE SHAPE

India Finsec Limited



India Finsec Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 03.09.2026)

Name of the Director	Designation
Mr. Gopal Bansal	Managing Director
Mr. Mukesh Sharma	Non-Executive Director
Ms. Purva Mangal	Independent Director
Mr. Devi Dass Agarwal	Independent Director
Mr. Manoj Kumar Gupta	CFO
*Ms. Prachi Bansal	Company Secretary & Compliance Officer

- ❖ *Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025*
- ❖ *Ms. Purva Mangal was appointed as an Independent Director with effect from 22.03.2025*
- ❖ *Mr. Rahul resigned from the position of Company Secretary & Compliance Officer with effect from 04.04.2026*
- ❖ **Ms. Prachi was appointed as Company Secretary & Compliance Officer with effect from 14.05.2026*

Audit Committee

Name of the Director	Designation
Mr. Devi Dass Agarwal	Chairman
Ms. Purva Mangal	Member
Mr. Gopal Bansal	Member

Nomination & Remuneration Committee

Name of the Director	Designation
Mr. Devi Dass Agarwal	Chairman
Mr. Mukesh Sharma	Member
Ms. Purva Mangal	Member

Risk Management Committee

Name of the Director	Designation
Mr. Gopal Bansal	Chairman
Mr. Devi Dass Agarwal	Member
Ms. Purva Mangal	Member

Stakeholders Relationship Committee

Name of the Director	Designation
Mr. Devi Dass Agarwal	Chairman
Ms. Purva Mangal	Member
Mr. Gopal Bansal	Member

AUDITORS

Statutory Auditor	Secretarial Auditor	Internal Auditor
M/S. Ajay Rattan & Co. Chartered Accountant Head Office: E-115, 11th Floor, Himalaya House, K G Marg, New	M/S. Sarita Singh & Associates Practicing Company Secretary Address: 304, Pavan Kuteer, Camelot Layout, Masjid	M/S. Himanshu Sunil & Associates Chartered Accountant Address: 710,D-Mall, Netaji Subhash Place

Delhi-110001	Banda, Kondapur, Hyderabad-500084	Pitampura, Delhi-110034
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REGISTERED OFFICE

D-16, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi – 110085

REGISTRAR & SHARE TRANSFER AGENT

**Skyline Financial Services Private Limited
D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020**

E-MAIL ID & WEBSITE

indiafinsec@gmail.com & www.indiafinsec.com



India Finsec Limited

Notice

Notice is hereby given that the Thirty-Second (32nd) Annual General Meeting (AGM) of the members of **India Finsec Limited** will be held on **Tuesday, September 29, 2026 at 11:30 A.M. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')** to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 - ADOPTION OF FINANCIAL STATEMENTS

To consider and adopt:

(a) the audited standalone financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon; and

(b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon

and, in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:

“RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.

FURTHER RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

ITEM NO. 2 – RE-APPOINTMENT OF MR. GOPAL BANSAL (DIN: 01246420) AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To re-appoint **Mr. Gopal Bansal (DIN: 01246420), Managing Director**, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, **Mr. Gopal Bansal (DIN: 01246420), Managing Director**, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

ITEM NO. 3- APPROVAL UNDER SECTION 186 OF THE COMPANIES ACT, 2013 FOR LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

To consider and to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed by the members in their meeting held on **31.07.2025** and pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of any Body corporate or for giving loans, guarantees or providing securities to any Body corporate or other person / entity as may be considered appropriate for an amount not exceeding ₹ 500 crore (Rupees Five Hundred Crores only), notwithstanding that such investment and acquisition together with the Company’s existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate, finalize and execute all agreements, documents, deeds, writings and instruments and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in connection therewith and incidental thereto, and to settle any question, difficulty or doubt that may arise in this regard, as the Board may in its absolute discretion deem fit.”

ITEM NO. 4- APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH IFL FINANCE LIMITED

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

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and pursuant to the approval of the Audit Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board) to enter into and/or continue with arrangements, transactions, contracts, corporate guarantees, investments in shares and/or other transactions involving transfer of resources, services or obligations with **IFL Finance Limited**, a subsidiary and related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, up to an aggregate amount of **₹ 200 Crore (Rupees Two Hundred Crore only) during the financial year 2027–28**, on such terms and conditions as may be mutually agreed upon and in the ordinary course of business and on an arm's length basis.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable, including modification, ratification, amendment or termination of any subsisting arrangement, transaction or contract and to execute all documents, agreements and writings and to perform all other obligations in connection with such transactions.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred upon it by this resolution to any Director(s), or other officer(s) of the Company for giving effect to this resolution.”

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

**Date: 03.09.2026
Place: New Delhi**

**SD/-
Prachi Bansal
Company Secretary**



India Finsec Limited

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of Item Nos. 3 and 4 of the accompanying Notice is annexed hereto. Further, the disclosures in relation to Item Nos. 3 and 4 of the Notice, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard-2 on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, form an integral part of this Notice.
2. The Ministry of Corporate Affairs (“MCA”) has, vide its General Circular dated September 22, 2025 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 32nd Annual General Meeting (“AGM”) of the Company is being convened through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”).

The deemed venue for the AGM shall be the Registered Office of the Company at **D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.**

3. The Notice of the AGM together with the Annual Report for the financial year ended March 31, 2026 (“FY 2025-26”) shall be sent electronically to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent (“RTA”)/Depositories, in accordance with applicable law.

The Notice convening this AGM along with the Annual Report for FY26 is being sent by electronic mode to those Members whose e-mail address is registered with the Company/Depositories, unless a Member has specifically requested for a physical copy of the same. Members may kindly note that the Notice convening this AGM and Annual Report for FY26 will also be available on the Company’s website <https://www.indiafinsec.in/>, website of the Stock Exchanges i.e. BSE Limited (BSE) at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com>. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail Id., Cut-off date for e-voting, Record Date for payment of dividend, etc.

4. Since the AGM is being conducted through VC/OAVM, physical attendance of Members at a common venue has been dispensed with. Accordingly, the facility for appointment of proxies

shall not be available to Members and the Proxy Form and Attendance Slip are not annexed to this Notice.

The deemed venue of the AGM shall be the Registered Office of the Company and, accordingly, the route map to the venue is not annexed.

5. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

Pursuant to the provisions of Section 91 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), Members whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **cut-off date of 22 September 2026**, shall be entitled to avail the facility of remote e-voting and/or e-voting during the AGM, as applicable.

Members may join the AGM through VC/OAVM facility **30 minutes before and up to 15 minutes after the scheduled commencement of the AGM**, unless otherwise specified in the e-voting/AGM instructions.

6. Attendance of Members through VC/OAVM shall be reckoned in accordance with the applicable provisions of the Act and the relevant MCA/SEBI requirements. The Company may follow the applicable procedure prescribed for participation through VC/OAVM.
7. Attendance through VC/OAVM is restricted and hence, Members shall be eligible to join the meeting on first come-first-serve basis. However, attendance of Members holding more than 2% of the paid-up equity share capital, Institutional investors, Directors, Key Managerial Personnel, and Auditors will not be restricted on first- come-first serve basis.
8. **Appointment of Proxy and Attendance Slip:**
Since the 32nd AGM is being held through VC/OAVM in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 32nd AGM, and therefore, proxy form and attendance slip are not annexed to this Notice.
9. The Company has appointed M/s., Sarita Singh & Associates, Company Secretary (Membership No. A55937 and Certificate of Practice No. 24682) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.
10. Corporate shareholders/institutional shareholders intending to send their authorised representative(s) to attend / vote at the 32nd AGM are requested to send from their registered e-mail address, scan copy of the relevant Board Resolution/Authority Letter, etc. authorizing their representative(s) to attend / vote, to the Scrutinizer on her e-mail ID at cs.saritasingh2614@gmail.com with a copy marked to evoting@nsdl.com and indiafinsec@gmail.com.
11. Pursuant to the applicable provisions of the SEBI Listing Regulations and SEBI's framework relating to investor service requests, listed companies are required to issue securities in dematerialised form while processing specified service requests, including issue of duplicate

securities certificates, renewal/exchange, endorsement, sub-division/splitting, consolidation, transmission and transposition.

Members holding shares in physical form are accordingly advised to consider dematerialising their shares. Members may contact the Company or **Skyline Financial Services Private Limited**, the RTA of the Company, for assistance in this regard.

Members holding securities in dematerialised form are requested to ensure that their PAN and other required details are updated with their respective Depository Participant.

12. Members holding shares in physical form are requested to ensure that their **PAN, postal address with PIN, mobile number, e-mail address, bank account details and other applicable KYC details** are updated with the RTA/Company in the prescribed manner.

Members may also provide or update their nomination details in accordance with the applicable SEBI requirements. **Nomination is not mandatory for physical shareholdings**, but Members are encouraged to register a nomination or exercise the applicable option to opt out of nomination, as permitted under the prevailing SEBI framework.

Members should note that the RTA shall process investor service requests in accordance with the applicable SEBI Master Circular and prevailing regulatory requirements. Non-updation of any particular KYC field should not be described in the Notice as automatically making a physical folio “inoperative” or permitting the RTA to freeze the folio, unless such consequence is specifically prescribed under the applicable law. SEBI has clarified that RTAs cannot freeze folios merely for non-updation of PAN, nomination, contact details, mobile number, bank account details or specimen signature.

The prescribed forms and instructions for updation of KYC and nomination details may be obtained from the Company's website/RTA and shall be used in accordance with the applicable SEBI requirements.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as the name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant(s), in case they hold the shares in electronic form and to the Company's RTA for shares held in physical form, with relevant documents, by following the instructions given above.
14. Manner of registration of e-mail address to receive the Annual Report for 2025-26 including AGM Notice:

In terms of MCA Circulars, for the purpose of the 32nd AGM, the eligible Members, whose e-mail addresses are not registered with the Company/ DP and who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically, may register their e-mail addresses with the RTA/ Company/Depositories, pursuant to which such Member shall receive the Notice of this AGM along with the Annual Report 2025-26.

15. Electronic dissemination of the AGM Notice and Annual Report: Electronic/digital copy of the Annual Report for FY26 and Notice convening the 32nd AGM are being sent to all Members

whose e-mail Id. are registered with the RTA/ Company/Depositories. Members who have not registered their e-mail Id. may get the same registered by following the instructions mentioned below. For Members who have not registered their e-mail address, a letter containing exact web-link of the website i.e. <https://www.indiafinsec.in/investors-info/> where the Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories. The Company shall provide hard copy of the Annual Report for FY26 to the Members, upon request.

16. E-voting:

- In compliance with the provisions of **Section 108 of the Companies Act, 2013 (“Act”) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard-2 on General Meetings (“SS-2”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**, the Company is pleased to provide its Members the facility of voting through electronic means, including **remote e-voting** and **e-voting during the 32nd Annual General Meeting (“AGM”)**, in respect of all the resolutions proposed to be transacted at the AGM.
- The Company has appointed **National Securities Depository Limited (“NSDL”)** for providing the remote e-voting facility and e-voting facility during the AGM. Members may cast their votes either through remote e-voting during the remote e-voting period or through e-voting facility provided during the AGM.
- The voting rights of Members shall be in proportion to their share in the **paid-up equity share capital of the Company as on the Cut-off Date**.
- A person whose name is recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the **Cut-off Date of 22 September 2026** shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM.
- The Cut-off Date shall be used for determining the eligibility of Members to vote through remote e-voting or e-voting during the AGM. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only. The Cut-off Date shall be a date **not earlier than seven days prior to the date of the AGM**, in accordance with SS-2.
- The remote e-voting period shall commence on **Saturday, 26 September 2026 at 9:00 A.M. (IST)** and shall end on **Monday, 28 September 2026 at 5:00 P.M. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- Members who have already cast their vote through remote e-voting may attend the AGM through VC/OAVM but **shall not be entitled to cast their vote again** at the AGM. Members who have not cast their vote through remote e-voting and who are otherwise eligible to vote shall be entitled to cast their vote through the e-voting facility provided during the AGM. This is consistent with SS-2.
- Once the vote on a resolution has been cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- Members may participate in the AGM even after exercising their right to vote through remote e-voting; however, such Members shall not be entitled to vote again at the AGM.

- A Member who has acquired shares and become a Member of the Company after dispatch of the Notice of the AGM but whose name appears in the Register of Members or Register of Beneficial Owners as on the Cut-off Date may obtain the requisite login credentials in the manner specified in the e-voting instructions forming part of this Notice.
- Members holding securities in dematerialised mode may cast their vote through their respective Depository Participant (“DP”) login credentials, in accordance with the instructions provided by NSDL in this Notice. Members are advised to keep their registered mobile number and e-mail address updated with their respective DP.
- Members holding shares in physical mode who are eligible to vote and have not received or are unable to access their login credentials may obtain/retrieve the same in the manner prescribed in the e-voting instructions or by contacting NSDL and/or the Company's Registrar and Transfer Agent.
- **Joint holders:** In the case of joint holders, the vote of the Member whose name appears first in the Register of Members shall be accepted, subject to the applicable provisions of the Act and the Depository records.
- **Corporate/Institutional Members:** Corporate Members intending to authorise their representatives to attend and vote at the AGM are requested to send the relevant Board Resolution/Authority Letter, together with specimen signature(s) of the authorised representative(s), to the Scrutinizer and the Company/e-voting agency at the e-mail addresses specified in this Notice, within the prescribed time.
- Members are requested to carefully read the instructions relating to remote e-voting and participation in the AGM given in this Notice. In case of any grievance or difficulty relating to remote e-voting, Members may contact NSDL at the contact details provided in this Notice.

17. Book Closure

Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 24 September 2026 to Tuesday, 29 September 2026** (both days inclusive) for the purpose of AGM.

18. Cut- off date:

- (i) This Notice is being sent to all the members whose name appears as on **Friday, August 28, 2026** in the register of members or beneficial owners as received from **M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent** of the Company.
- (ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **Tuesday, 22 September 2026** (the “**Cut-off Date**”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

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

20. Instructions for remote e-voting and access to the 32nd AGM

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

The remote e-voting period begins on Saturday, 26 September 2026 at 09:00 A.M. and ends on Monday, 28 September 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 22 September 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 22 September 2026.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added

	services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

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

		101456001***	
5. Password details for shareholders other than Individual shareholders are given below:			
a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.			
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password', and the system will force you to change your password.			
c) How to retrieve your 'initial password'?			
(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.			
(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.			
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:			
a) Click on " <u>Forgot User Details/Password?</u> "(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com .			
b) <u>Physical User Reset Password?</u> " (If you are holding shares in physical mode) option available on www.evoting.nsdl.com .			
c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.			
d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.			
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.			
8. Now, you will have to click on "Login" button.			
9. After you click on the "Login" button, Home page of e-Voting will open.			

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.saritasingh2614@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32,

G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: evoting@nsdl.com or at telephone no. 022- 48867000.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to indiafinsec@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to indiafinsec@gmail.com.

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

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account to access e-Voting facility.

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

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

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

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

21. Registration as speaker at the AGM

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address, mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at indiafinsec@gmail.com on or before 15th September, 2026. The facility to express views/ask questions during the AGM shall be restricted only to those members who have pre-registered themselves as speakers. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

22. Declaration of results of voting:

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

The voting results along with the Scrutinizer's report, will be hosted on the Company's website, <https://www.indiafinsec.in/investors-info/>, website of NSDL, <https://www.evoting.nsdl.com/>, displayed on the Notice Board of the Company at the Registered Office and will be

simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN to their Depository Participants and Members holding shares in physical form shall submit their PAN to the Company/ R & T Agents.

23. The Members are requested to inform of any change in their addresses, name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, e-mail address, contact numbers, etc., for providing efficient and better services immediately to:
- (i) Registrar and Share Transfer Agents (R&T Agents) in case of shares held in Physical Form or
 - (ii) Depository Participants in case of shares held in Electronic Form
24. Details as per Regulation 36(3) of Listing Regulations Clause 1.2.5 of the SS-2, in respect of the Directors seeking appointment/ re- appointment at the Annual General Meeting attached as **Annexure –I** , forms integral part of the notice.

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

**Date: 03.09.2026
Place: New Delhi**

**SD/-
Prachi Bansal
Company Secretary**



India Finsec Limited

EXPLANATORY STATEMENT

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

ITEM NO. 3

APPROVAL UNDER SECTION 186 OF THE COMPANIES ACT, 2013 FOR LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

As per the provisions of Section 186 of the Companies Act, 2013 ("the Act"), no company shall directly or indirectly make any loan, give any guarantee or provide any security in connection with a loan to any person or other body corporate, or acquire by way of subscription, purchase or otherwise the securities of any other body corporate exceeding the limits prescribed under Section 186 of the Act, unless approved by the members of the Company by way of a Special Resolution.

The Members of the Company had earlier approved the limits under Section 186 of the Act at their meeting held on 31 July 2025. Considering the Company's business plans, growth opportunities, funding requirements of subsidiaries, associates, joint ventures and other entities, and to provide greater financial flexibility for undertaking strategic investments and extending loans, guarantees or securities as may be required from time to time, the Board considers it desirable to enhance the borrowing/investment authorization limits.

Accordingly, the approval of the Members is sought by way of a Special Resolution to authorize the Board of Directors of the Company to make investments, provide loans, guarantees and/or securities, from time to time, in excess of the limits specified under Section 186 of the Act, up to an aggregate outstanding amount not exceeding ₹ 500 Crores (Rupees Five Hundred Crores Only), notwithstanding that the aggregate of such investments, loans, guarantees and securities may exceed the limits prescribed under Section 186(3) of the Act.

The Board believes that the proposed resolution is in the best interest of the Company and recommends the Special Resolution set out at Item No. 3 for approval by the Members.

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

ITEM NO. 4

APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH IFL FINANCE LIMITED (FORMERLY KNOWN AS IFL HOUSING FINANCE LIMITED)

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the applicable Rules framed thereunder and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Material Related Party Transactions and subsequent material modifications thereto require approval of the Members of the Company.

IFL Finance Limited (formerly known as IFL Housing Finance Limited) is a Related Party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations.

The Company, in the ordinary course of its business, may enter into transactions with IFL Finance Limited including, but not limited to, loans, investments in shares, corporate guarantees, transfer of resources, services and obligations and other business transactions. Such transactions shall be undertaken on an arm's length basis and in the ordinary course of business.

Considering the nature and volume of the proposed transactions, the aggregate value of the transactions with IFL Finance Limited during the financial year 2027-28 may exceed the materiality thresholds prescribed under the Listing Regulations. Accordingly, approval of the Members is being sought for entering into such transactions up to an aggregate amount of ₹ 200 Crores during the financial year 2027-28.

The Audit Committee and the Board of Directors at their respective meetings have reviewed the proposed transactions and are of the opinion that the transactions are in the ordinary course of business, are on arm's length basis and are in the best interests of the Company.

Additional information required under the Companies Act, 2013 and SEBI Regulations, 2015, pertinent to these transactions is provided herein:

Name of the Related Party	IFL Finance Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	To provide Corporate Guarantee or security in connection with a loan to any other body corporate or person/ arrangements/ transactions/ contracts/investment in shares (including any other transfer of resources, services or obligations)
Tenure of the Proposed Transaction	Financial Year 2027-28
Estimated Value of the Proposed Transaction	Up to ₹ 200.00 Crores for each financial year i.e. 2027-28.
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is	232.35 %

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

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval by the Members.

Except to the extent of their shareholding and/or interest in IFL Finance Limited, if any, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested,

financially or otherwise, in the said Resolution.

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

**Date: 03.09.2026
Place: New Delhi**

**SD/-
Prachi Bansal
Company Secretary**



India Finsec Limited

Annexure I to the Notice

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

Name of the Director	Mr. Gopal Bansal
Age	50 Years
Qualifications	He is Chartered Accountants by profession.
Brief Resume	Mr. Gopal Bansal is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is the Managing Director & promoter of the company. He is having excellent leadership skills, discipline and robust governance ability. He is the key driver of company's goals and has sharp financial acumen. He oversees the policy, vision and diversification and strategic planning and ensures flawless performance of the Group.
Experience (including expertise in specific functional area)	He has over two decades of diverse experience in the field of finance & taxation. portfolio management, treasury management, finance product designing, business takeovers, mergers, corporate laws, assets restructuring & assets recovery.
Terms and Conditions of Appointment/ Reappointment	Mr. Gopal Bansal is being reappointed on the same terms and conditions.
Remuneration last drawn (including sitting fees, if any)	Nil
Remuneration proposed to be paid	He shall not be paid any remuneration and sitting fees for attending Board or Committee meetings.
Date of first appointment on the Board	15th July, 2011
Shareholding in the Company as on March 31, 2026	Mr. Gopal Bansal holds 40,44,141 equity shares of the Company amounting to 13.85% of total shareholding in the Company.

Relationship with other Directors/Key Managerial Personnel	None
Number of meetings of the Board attended during the year	14 Board meetings
Name of other Public Companies in which the person holds the Directorships	IFL Finance Limited
Name of the other Public Companies in which the person holds the Memberships of committees of the Board	IFL Finance Limited
Name of Listed entities in which person also holds directorship and Membership of Committees of the Boards	India Finsec Limited
Listed entities from which the person has resigned in the past three years	Nil

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

**SD/-
Prachi Bansal
Company Secretary**

**Date: 03.09.2026
Place: New Delhi**



India Finsec Limited

BOARD REPORT

**To,
The Members,**

Your Directors are pleased to present the Company's 32nd Annual Report on the business & operations of the Company and Audited Statement of Accounts Statements (Standalone & Consolidated) for the year ended 31st March 2026 along with the Auditor's Report thereon.

COMPANY BACKGROUND

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

The Company was previously registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company ("NBFC"). However, pursuant to the voluntary surrender of its Certificate of Registration, the Company ceased to be an RBI-registered NBFC and has been functioning as an unregistered Core Investment Company ("CIC") with effect from July 17, 2025.

FINANCIAL PERFORMANCE

Particulars	Financial year ended (Rs. In '000')			
	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Total Income	4,104.67	7,786.71	8,60,771.48	7,19,232.61
Total Expenditure	3,599.35	7,160.29	5,66,925.99	4,79,413.81
Profit/(Loss) before tax	505.32	626.42	2,93,845.49	2,39,818.80
Profit/(Loss) after tax	376.94	10.94	2,16,658.37	1,81,286.85
Paid-up Share Capital	2,91,917.15	2,91,917.15	2,91,917.15	2,91,917.15

STATE OF COMPANY'S AFFAIRS/BUSINESS OVERVIEW

During the year, the Company is acting as unregistered Core Investment Company wef 17.07.2025.

During the financial year 2025-26, total revenue on standalone basis has been decreased to Rs. 4104.67/- (in thousands) as against Rs. 7786.71/- (in thousands) in the previous year.

However, the group registered a net profit of Rs.376.94/- (in thousands) in current year as against a net profit of Rs. 10.94/- (in thousands) in the previous year.

On a consolidated basis, the group achieved revenue of Rs. 860771.48/- (in thousands) as against Rs. 719232.61/- (in thousands) during the previous year, reflecting a growth of 19.68%. The Profit after Tax for the current year is Rs. 216658.37/- (in thousands) as against the previous year profit of Rs. 181286.85/- (in thousands).

DIVIDEND

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

TRANSFER TO RESERVES

In terms of Section 45-IC of the RBI Act 1934, the Company registered as NBFC with RBI is required to transfer at least 20% of its Profit after tax to a Reserve Fund before dividend is declared. As at the year end, an amount of Rs. 0.00/- has transferred to the Reserve Fund.

CHANGES IN THE NATURE OF BUSINESS

The Board of Directors, at its meeting held on April 15, 2025, approved the surrender of the Certificate of Registration (CoR) granted by the Reserve Bank of India (RBI) for carrying on the business as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC).

The surrender of the CoR was undertaken to facilitate the conversion of the Company's subsidiary, IFL Finance Limited (formerly known as IFL Housing Finance Limited), from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC).

The conversion of the subsidiary has since been successfully completed, and the Reserve Bank of India has issued a fresh Certificate of Registration dated June 26, 2025, recognising IFL Finance Limited as an NBFC-ICC.

Pursuant to the approval of the Board, the Company submitted an application to the RBI for surrender of its CoR. The RBI approved the application, and accordingly, with effect from July 17, 2025, the Company ceased to be an RBI-registered NBFC and is now functioning as an unregistered Core Investment Company (CIC).

This surrender forms part of the Company's broader strategic initiative to streamline its group structure, optimise regulatory alignment, and strengthen its focus on core investment activities.

MATERIAL CHANGES AND COMMITMENTS

There has been no material change affecting the financial position of the Company between the close of the financial year and the date of this report. However, a significant corporate development has occurred. The Company has submitted an application to the Reserve Bank of India (RBI) for the surrender of its Certificate of Registration (CoR) as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). This step was taken to facilitate the conversion of its subsidiary, IFL Finance Limited (formerly known as IFL Housing Finance Limited), from a Housing Finance Company (HFC) to an NBFC-ICC. The RBI approved the application, and accordingly, with effect from July 17, 2025, the Company ceased to be an RBI-registered NBFC and is now functioning as an unregistered Core Investment Company (CIC).

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

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2025-26. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

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

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

STATUTORY AUDITOR

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

Auditor's Report

The Auditor's Report for Financial Year Ended March 31, 2026 is unmodified i.e. does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self-explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Act and Rules made thereunder, Mrs. Sarita Singh, Proprietor of M/s Sarita Singh & Associates, (Membership No.: A55937; Certificate of Practice No.: 24682) were appointed as secretarial Auditors of the Company for a term of five consecutive years at the 31st Annual General Meeting of the Company held on 31st July, 2025 to hold office from F.Y 2025-26 to 2029-30. Accordingly, the Secretarial Auditor have provided the Secretarial Audit Report in form MR-3 for the financial year ended 31st March, 2026 which is annexed herewith as Annexure-III and also available on the website of the Company at (link)

Further, in terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI, Mrs. Sarita Singh issued the Annual Secretarial Compliance Report, confirming compliance by the Company of the applicable SEBI Regulations and circulars / guidelines issued thereunder. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report pertaining to financial year 2025-26.

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

Secretarial Audit Report of Subsidiary Company

The Secretarial Audit Report of M/s IFL Finance Limited (Formerly known as IFL Housing Finance Limited), subsidiary of India Finsec Limited, for the financial year ended March 31, 2026 does not contain any qualification, reservation or adverse remark. A copy of Secretarial Audit Report as provided by Company Secretary in Practice has been annexed with the Report. (**Annexure-IV**).

INTERNAL AUDITOR

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s Himanshu Sunil & Associates, Chartered Accountants, as an Internal Auditor of the Company, to check the internal controls and functioning of the activities of the Company and also recommends way of improvement. They have provided Internal Audit Report of the Company for the financial year ended March 31, 2026. The Internal audit is carried out yearly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction. The Report does not contain any qualification, observation, reservation, adverse remark or disclaimer.

MAINTENANCE OF COST RECORDS

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

SHARE CAPITAL

As on 31st March, 2026, the Authorised share capital of the Company was Rs. 30,00,00,000 and the paid up equity share capital was Rs. 29,19,17,150/-. During the year under review:

A. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

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

B. ISSUE OF SWEAT EQUITY SHARES

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

C. ISSUE OF EMPLOYEE STOCK OPTIONS

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

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

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

E. ISSUE OF SHARES ON PREFERENTIAL BASIS

During the year under review, the Company did not make any preferential allotment of equity shares, convertible warrants, or any other securities. Accordingly, no shares were allotted on a preferential basis during the year.

LISTING FEES

The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Limited (BSE) for the financial year 2025-26.

ANNUAL RETURN

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

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

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

A. CONSERVATION OF ENERGY

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

B. TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

POLICIES

There are following policies during the financial year 2025-26:

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

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

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED

During the financial year 2025-26, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

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

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

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

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

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

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

CORPORATE SOCIAL RESPONSIBILITY

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As on March 31, 2026, the Board of Director's consists of the following members:

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

❖ ** Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025*

❖ ***Ms. Purva Mangal was appointed as an Independent Director with effect from 22.03.2025*

A. DIRECTORS

Directors retiring by rotation

Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mr. Gopal Bansal (DIN: 01246420) Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible to offers himself for reappointment.

Changes in directorate

- a) **Mr. Amit Kumar Agarwal** resigned from the position of Independent Director with effect from **17.07.2025**.
- b) **Ms. Purva Mangal** was appointed as an Independent Director with effect from **22.03.2025**

B. CHIEF FINANCIAL OFFICER

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

C. COMPANY SECRETARY & COMPLIANCE OFFICER

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

- A). Mr. Rahul resigned from the position of Company Secretary & Compliance Officer with effect from 04.04.2026*
- B). Thereafter, Ms. Prachi was appointed as Company Secretary & Compliance Officer with effect from 14.05.2026*

DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

FAMILIARIZATION PROGRAMME

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

FIT AND PROPER CRITERIA & CODE OF CONDUCT

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

PERFORMANCE EVALUATION

The Board of Directors has carried out the Annual Performance Evaluation of its own, Committees of Board of Directors and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes,

information and functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as contribution of the Individual Director to the Board and Committee meetings. Also in a separate meeting of Independent Directors, performance of Non-Independent Directors, Board as a whole and the Chairman were evaluated, taking into account the views of Executive Directors and Non-Executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors duly met 14 (Fourteen) times during the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The details of Board meetings and the attendance of Directors in such meetings are given in the Corporate Governance Report forming part of this Annual Report.

COMMITTEES AND THEIR MEETINGS

AUDIT COMMITTEE

The Company has an Audit Committee comprises of:

S. No	Name of Directors	Designation	Category
1.	Mr. Devi Dass Agarwal	Chairman	Independent Director
2.	Mr. Gopal Bansal	Member	Managing Director
3.	**Ms. Purva Mangal	Member	Independent Director

****Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025***

*****Ms. Purva Mangal was appointed as an Independent Director with effect from 22.03.2025***

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

During the year 4 (Four) Audit Committee Meetings were held.

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

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. The company believes on the honesty, integrity, ethics, transparency and good conduct for its professional environment and provides such kind of environment to its employees and

directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. This Vigil mechanism/ Whistle Blower policy is posted on the website on <http://www.indiafinsec.in/>

NOMINATION AND REMUNERATION COMMITTEE

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

The Committee as on March 31, 2026 comprises of:

S. No	Name of Directors	Designation	Category
1	Mr. Devi Dass Agarwal	Chairman	Independent Director
2	Mr. Gopal Bansal	Member	Managing Director
3	**Ms. Purva Mangal	Member	Independent Director

***Mr. Amit Kumar Agarwal** resigned from the position of Independent Director with effect from **17.07.2025**

****Ms. Purva Mangal** was appointed as an Independent Director with effect from **22.03.2025**

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

During the year 4 (Four) Nomination and Remuneration committee Meetings were held.

NOMINATION AND REMUNERATION POLICY

The policy of the Company on Directors' Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013 is placed on the website of the Company i.e. www.indiafinsec.in and the details of Nomination and Remuneration Policy are covered in the Corporate Governance Report. It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company. The Nomination & Remuneration Policy is attached with this report as an **Annexure-V**.

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

The Committee as on March 31, 2026 comprises of:

S. No	Name of Directors	Designation	Category
1	Mr. Devi Dass Agarwal	Chairman	Independent Director
2	Mr. Gopal Bansal	Member	Managing Director
3	Ms. Purva Mangal	Member	Independent Director

****Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025***

*****Ms. Purva Mangal was appointed as an Independent Director with effect from 22.03.2025***

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

RISK MANAGEMENT COMMITTEE

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

The Committee as on March 31, 2026 comprises of:

S. No	Name of Directors	Designation	Category
1	Mr. Devi Dass Agarwal	Chairman	Independent Director
2	Mr. Gopal Bansal	Member	Managing Director
3	**Ms. Purva Mangal	Member	Independent Director

****Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025***

*****Ms. Purva Mangal was appointed as an Independent Director with effect from 22.03.2025***

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

RISK MANAGEMENT POLICY

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

DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review, we have one subsidiary company i.e. “IFL Finance Limited”. In accordance with Section 129 (3) we have prepared the consolidated financial statements of the Company which forms part of this Annual Report.

➤ **Change in name of subsidiary company**

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

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

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

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

The performance and financial position of “**IFL Finance Limited**” (Subsidiary) for the financial year 2025-26 are mentioned below:

During the year, IFL Finance Limited reported revenue of Rs.8570.16 Lakhs and profit after tax of Rs. 2162.79 Lakhs as compared to revenue of Rs. 7137.08 Lakhs and profit after tax of Rs. 1812.75 Lakhs in the last year.

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

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

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

PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES

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

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

CORPORATE GOVERNANCE CERTIFICATE

The Company believes that the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you “the Shareholders”. The Chairperson and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes “Your” long term value. Besides adhering to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company also endeavors to share information with its stakeholders openly and transparently on matters which have a bearing on its economic and reputational interest. The Corporate Governance Report is a part of this Annual report.

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

PARTICULARS OF EMPLOYEES

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

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

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

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

(in 000’)

Name of the Director/ and KMP	Designation	Remuneration (Rs. in Lac) 2025-26	Increase (%)	Ratio of Director’s Remuneration to Median remuneration including Managing Director
Mr. Gopal Bansal	Managing Director	0.00	Nil	0
Mr. Manoj Kumar Gupta	CFO	15.00	0.00	0.00
Mr. Mukesh Sharma	Director	0.00	0.00	0.00
Mrs. Purva Mangal	Director	0.00	0.00	0.00
Mr. Rahul	Company Secretary	6.11	0.00	-

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

2. Median remuneration of employees of the Company including Managing Director Rs. 6,11,360/-for the financial year 2025-26.
3. The Percentage increase in median remuneration of employees (including Managing Director) is Nil.
4. Number of permanent employees on the rolls of the Company: 2 (As at March 31, 2026).
5. Affirmation Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

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

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

PREVENTION OF SEXUAL HARRASEMENT OF WOMEN AT WORKPLACE

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

During the year under review:

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

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for that period;

- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the Directors have prepared the annual accounts on a going concern basis;
- 5) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- 6) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable secretarial standards and that such systems were adequate and operating effectively.

PREVENTION OF INSIDER TRADING

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

CODE OF CONDUCT

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

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

MATERNITY BENEFIT ACT

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

PRUDENTIAL NORMS & DIRECTIONS OF RBI FOR NBFCS

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

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER –SE

None of the Directors are related to each other.

CAUTIONARY NOTE

The statements forming part of the Board's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

ACKNOWLEDGEMENT

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

For and on behalf of
Board of India Finsec Limited

Date: 03.09.2026
Place: Delhi

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Gopal Bansal
Managing Director
DIN: 01246420



India Finsec Limited

(Annexure – I)

Form AOC-1

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

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

Part “A”: Subsidiaries

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

S. No.	Particulars	Details
1.	Name of the Subsidiary	IFL Finance Limited
2.	The date since when subsidiary was acquired	17.09.2015
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
5.	Share Capital	8,475.82
6.	Reserves & Surplus	9,662.13
7.	Total Assets	58,897.59
8.	Total Liabilities	40,759.64
9.	Investments	0
10.	Turnover	8,570.16
11.	Profit before taxation	2,933.37
12.	Provision for taxation	770.58
13.	Profit after taxation	2,162.79
14.	Proposed Dividend	0.00
15.	Extent of shareholding (in percentage)	71.01%

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

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

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

For and on behalf of
Board of India Finsec Limited

Date: 03.09.2026
Place: Delhi

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Gopal Bansal
Managing Director
DIN: 01246420



India Finsec Limited

(Annexure-II)

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

(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

(₹ in 000's)

Name of related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of The Contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
IFL Finance Limited, Subsidiary	Service charge for Corporate Guarantee	2025-26	350.00	04.05.2024	Nil
Mr. Manoj Kumar	Remuneration	2025-26	1500.00	04.05.2024	Nil

Gupta (CFO)	Given				
Mr. Rahul, Company Secretary	Remuneration Given	2025-26	611.36	05.02.2025	Nil

For and on behalf of
Board of India Finsec Limited

Date: 03.09.2026
Place: Delhi

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Gopal Bansal
Managing Director
DIN: 01246420



India Finsec Limited

FORM MR-3 **SECRETARIAL AUDIT REPORT**

(For the financial year ended 31st March, 2026)

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

To,
The Members
INDIA FINSEC LIMITED

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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 **INDIA FINSEC 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 there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit period)**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period)**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period)**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit period)**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

VI. Other laws applicable to the Company:-

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

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

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

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

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. During the year under review, Mr. Amit Kumar Agarwal (DIN: 08768575) ceased to be an Independent Director of the Company upon completion of his five year term w.e.f. 17th July, 2025.

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

**SD/-
SARITA SINGH
(Proprietor)
M. No-55937, COP-24682,
PR No. 6998/2025
UDIN- A055937H000693464**

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

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

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

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

SD/-
SARITA SINGH
(Proprietor)
M. No-55937, COP-24682,
PR No. 6998/2025
UDIN- A055937H000693464

Date: 26.06.2026
Place: Hyderabad

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 with 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 there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
(Not applicable to the Company during the period under review)
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(The Company did not have any Foreign Direct Investment during the financial year);**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:

- 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 thereto
- 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 dissenting views have been recorded.

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

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

**Sarita Singh
(Proprietor)
M. No-55937
COP-24682, PR No. 6998/2025
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
(CIN: U65910DL2015PLC285284)
D-16, 1st Floor, Above ICICI Bank, Prashant Vihar,
Sector-14, Rohini, New Delhi-110085

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes that 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 follow 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)

Sarita Singh
(Proprietor)
M. No-55937
COP-24682, PR No. 6998/2025
UDIN- A055937H000693431

Date: 26.06.2026
Place: Hyderabad



Nomination and Remuneration Policy

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

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

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

DEFINITION

- 1) “**Act**” means the Companies Act, 2013 (and the rules framed thereunder).
- 2) “**Board**” means Board of Directors of the Company.
- 3) “**Director**” means a director on the Board of the Company.
- 4) “**Committee**” means the Nomination and Remuneration Committee [of the Company as constituted or re-constituted by the Board.
- 5) “**Company**” or “**The Company**” or “**IFL**” means India Finsec Limited.
- 6) “**Independent Director**” means a Director referred to in Section 149(6) of the Act read with regulation 16(1)(b) of the Listing Regulations
- 7) **Key Managerial Personnel (KMP) means:**
 - a) the Chief Executive Officer or the managing director or the manager, as applicable;
 - b) the Company Secretary;
 - c) the whole-time director;

- d) the Chief Financial Officer; and
 - e) such other officer as may be prescribed.
- 8) **“Senior Management”** shall mean officers/personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the executive directors, including all functional heads.
- 9) **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

OBJECTIVE

The objectives of this Policy are set forth below:

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

CONSTITUTION OF COMMITTEE

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

ROLE OF THE COMMITTEE

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

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

GUIDING PRINCIPLES

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

on remuneration prevailing in the similar industry. When determining the remuneration policy and arrangements for Directors/ KMP's and Senior Management, the Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

COVERAGE

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

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

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

Term:

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

prescribed under the Act.

Evaluation:

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

Removal:

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

Retirement:

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

2) APPOINTMENT CRITERIA AND QUALIFICATIONS:

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

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

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

3) TENURE OF EMPLOYMENT:

- i. Managing Director/Whole-time Director

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

ii. Independent Director

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

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

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

4) EVALUATION:

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

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

Remuneration to Managing Director / Whole-time Directors:

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

Remuneration to Non- Executive / Independent Directors:

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

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

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

Remuneration to Key Managerial Personnel and Senior Management:

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

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

AMENDMENTS TO THE POLICY

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

LIMITATION AND AMENDMENT

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

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

For and on behalf of
Board of India Finsec Limited

Date: 03.09.2026
Place: Delhi

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Gopal Bansal
Managing Director
DIN: 01246420



India Finsec Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. COMPANY OVERVIEW

India Finsec Limited (“India Finsec” or “the Company”) was incorporated on August 10, 1994 under the provisions of the Companies Act, 1956. The Registered Office of the Company is situated at D-16, First Floor, Prashant Vihar, Sector-14, Rohini, New Delhi – 110085. The Equity Shares of the Company are listed on BSE Limited.

The Company was previously registered with the Reserve Bank of India (“RBI”) as a Non-Banking Financial Company – Investment and Credit (“NBFC-ICC”) and was engaged in providing financial services, including lending and related activities.

The Board of Directors, at its meeting held on April 15, 2025, approved the surrender of the Certificate of Registration (CoR) granted by the Reserve Bank of India (RBI) for carrying on the business as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC).

Pursuant to the approval of the Board, the Company submitted an application to the RBI for surrender of its CoR. The RBI approved the application, and accordingly, with effect from July 17, 2025, the Company ceased to be an RBI-registered NBFC and is now functioning as an unregistered Core Investment Company (CIC).

The surrender of the CoR was undertaken to facilitate the conversion of the Company's subsidiary, IFL Finance Limited (formerly known as IFL Housing Finance Limited), from a Housing Finance Company (HFC) to a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC).

The conversion of the subsidiary has since been successfully completed, and the Reserve Bank of India has issued a fresh Certificate of Registration dated June 26, 2025, recognising IFL Finance Limited as an NBFC-ICC.

This surrender forms part of the Company's broader strategic initiative to streamline its group structure, optimise regulatory alignment, and strengthen its focus on core investment activities.

Following this change in status, the Company's business strategy has evolved from its earlier NBFC-oriented lending activities towards an investment-oriented business model. The Company may make investments in its subsidiaries or group companies within the applicable statutory and regulatory framework and subject to the approval of the Board of Directors. The Board may also consider strategic investments in other group companies for furtherance of the Company's business objectives, subject to applicable laws and regulatory requirements.

The Company continues to focus on prudent financial management, efficient utilisation of resources, strengthening of its group ecosystem and identification of appropriate strategic investment opportunities. The Company remains committed to maintaining high standards of corporate governance, transparency, accountability and regulatory compliance.

The financial performance for FY 2025–26 should therefore be viewed in the context of this transition in the Company's business and regulatory status during the year.

II. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian economy continued to demonstrate resilience during FY 2025–26, supported by domestic consumption, infrastructure development, government initiatives, digitalisation, technological advancement and continued formalisation of the economy.

The Indian financial and investment ecosystem continues to undergo significant transformation. Capital markets, investment companies, financial institutions and corporate groups are increasingly adopting technology-enabled systems, data-driven decision-making and more sophisticated risk-management practices.

Digitalisation has significantly changed the manner in which businesses operate. The increasing use of automation, data analytics, artificial intelligence, digital platforms and other emerging technologies has contributed to greater operational efficiency and improved access to information. These developments are creating opportunities for businesses to optimise their operations and make informed strategic and investment decisions.

The regulatory environment governing companies, listed entities and investment activities continues to evolve with greater emphasis on transparency, corporate governance, investor protection, risk management and compliance. Companies are required to maintain robust systems and processes to ensure compliance with applicable statutory and regulatory requirements.

For investment-oriented entities such as the Company, the changing economic and capital-market environment provides opportunities for strategic deployment of capital, while also requiring careful assessment of investment risks, market conditions, liquidity and regulatory developments.

The Company continues to monitor developments in the domestic and global economic environment and evaluates opportunities consistent with its revised business strategy, investment objectives and applicable legal and regulatory framework.

III. OPPORTUNITIES AND THREATS

Opportunities

India continues to offer significant opportunities on account of economic growth, infrastructure development, technological advancement, digitalisation, financial-market development and increasing corporate activity.

The Company's transition to an unregistered CIC provides an opportunity to focus on strategic investments and strengthening of the group structure. The Company may evaluate investment

opportunities in subsidiaries and group companies based on their financial performance, growth prospects, strategic importance and potential for long-term value creation.

The Company may also consider opportunities arising from the growth of businesses within its group and from evolving market conditions, subject to applicable regulatory requirements and appropriate approvals.

Technological developments and digital transformation also provide opportunities to improve internal processes, strengthen information systems, enhance monitoring mechanisms and improve the efficiency of decision-making.

The Company's established presence, experienced management and governance framework provide a foundation for evaluating and pursuing suitable opportunities.

Threats

The Company operates in an environment that is subject to various economic, financial, regulatory and market-related risks.

Changes in interest rates, market conditions, liquidity conditions, economic growth, investment valuations and regulatory requirements may affect the Company's financial performance and investment decisions.

As an investment-oriented company, concentration of investments, volatility in the value or performance of investee entities and changes in the financial position of subsidiaries/group companies may also impact the Company's overall financial position.

The evolving regulatory environment represents another important area of consideration. The Company is required to ensure that its activities remain consistent with its status as an unregistered CIC and with applicable provisions of the Companies Act, SEBI regulations and other applicable laws.

Cybersecurity risks, technological disruptions, operational risks and changes in stakeholder expectations may also impact businesses and their operations.

The Company seeks to address these risks through prudent decision-making, appropriate internal controls, regular monitoring, compliance mechanisms and oversight by the Board of Directors and its committees.

IV. SEGMENT-WISE PERFORMANCE

The Company operates primarily as an investment-oriented entity following its transition to an unregistered Core Investment Company.

Based on the nature of the Company's operations and the manner in which the business is managed and reviewed by the Management, the Company has determined its applicable reportable segment(s) in accordance with the relevant accounting standards

V. OUTLOOK

The Company views the transition from an NBFC-ICC to an unregistered CIC as an important development in its business strategy.

Going forward, the Company intends to focus on strengthening its investment-oriented business model and evaluating suitable opportunities within its group structure and other permissible areas, subject to applicable statutory and regulatory requirements.

The Company will continue to monitor economic conditions, capital-market developments, investment opportunities, regulatory changes and the performance of its subsidiaries and group companies.

The Company's focus will remain on prudent deployment of capital, efficient utilisation of resources, appropriate risk assessment and creation of sustainable long-term value for shareholders.

For FY 2026–27, the Company expects the Indian economy to remain supported by domestic demand, infrastructure development, digitalisation and continued policy initiatives. At the same time, global economic uncertainties, market volatility and evolving regulatory requirements may present challenges. The Company will therefore adopt a balanced and disciplined approach towards its investment decisions and business initiatives.

The Company intends to strengthen its governance framework, internal controls, risk-management practices and monitoring mechanisms while continuing to explore opportunities that are commercially viable and consistent with its long-term objectives.

VI. RISK MANAGEMENT

Risk management forms an integral part of the Company's corporate governance and decision-making framework.

The Company's risk profile has evolved following its transition from an NBFC-ICC to an unregistered CIC. The principal areas of risk relevant to the Company include investment risk, market risk, liquidity risk, concentration risk, regulatory and compliance risk, operational risk, technology and cybersecurity risk and other risks associated with its investments and business activities.

Investment Risk

Risk of decline in the value of investments in subsidiaries, associates, joint ventures, or other group companies due to adverse business performance or market conditions.

Market Risk

Exposure to fluctuations in equity prices, interest rates, foreign exchange rates (if applicable), or other market variables affecting investment values and returns.

Liquidity Risk

Risk that the Company may not have sufficient liquid resources to meet its financial obligations or funding requirements, particularly where investments are long-term and not readily marketable.

Regulatory and Compliance Risk

Risk arising from changes in RBI regulations, Companies Act provisions, SEBI regulations (if applicable), or becoming eligible for mandatory CIC registration. Non-compliance may result in penalties or business restrictions.

Operational Risk

Risk arising from inadequate or failed internal processes, systems, human error, fraud, cyber incidents, or external events.

Reputation Risk

Risk of adverse publicity, stakeholder concerns, or regulatory actions affecting the Company's reputation and ability to raise capital or conduct business.

VII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an internal control framework designed to ensure:

- safeguarding and protection of assets;
- accuracy and reliability of financial information;
- proper accounting and recording of transactions;
- operational efficiency;
- compliance with applicable laws, rules and regulations;
- prevention and detection of errors and irregularities; and
- effective monitoring of business activities.

The internal control framework is supported by appropriate internal audit and review mechanisms.

Internal Audit Reports, wherever applicable, are placed before the Audit Committee for review and discussion. Significant observations, if any, are considered by the Management and appropriate corrective measures are undertaken.

The Company's internal control systems are reviewed periodically to ensure that they remain adequate and commensurate with the size, nature and complexity of its operations.

The Management believes that the internal control systems in place are adequate and effective for the Company's present operations.

VIII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

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

IX. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company recognises its employees as a valuable asset and is committed to fostering an open, transparent and merit-based work culture. The Company focuses on talent development, employee engagement, retention and continuous improvement.

The Company provides a conducive working environment that encourages professionalism, teamwork, accountability and innovation. Effective communication and grievance-redressal mechanisms are in place to address employee concerns promptly.

The Company continues to focus on developing and retaining talent in line with its evolving business requirements. Industrial relations remained cordial during the year under review.

Number of employees as at March 31, 2026: 3

X. RATIO ANALYSIS AND ITS COMPONENTS

S.No	Particulars	Numerator	Denominator	March 31st, 2026	March 31st, 2025	% change	Reason for change more than 25%
a)	Current ratio (In times)	Current Assets	Current Liabilities	19.12	14.97	27.74%	Increase in Current Asset in the Current Year when compared with the last year.
b)	Debt-equity ratio (In times)	Total Debt	Shareholder's Equity	NA	NA	NA	NA
c)	Debt service coverage ratio (In %)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	NA
d)	Return on equity ratio (In %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity(Including Quasi Equity)	0.00	0.00	2600.20 %	Increase in profit in current year
e)	Inventory turnover ratio (In times)	Cost of goods sold	Average Inventory	NA	NA	NA	N.A.

f)	Trade receivables turnover ratio (In times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	NA	NA
g)	Trade payable turnover ratio (In times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	NA
h)	Net capital turnover ratio (In times)	Net Sales = Total sales - sales return	Working capital = Current assets - Current liabilities	0.03	0.26	-88.46%	Due to decrease in Revenue from operation
i)	Net profit ratio (In %)	Net Profit	Net Sales = Total sales - sales return	1.08	0.00	26021.50%	Due to significant rise in net profit despite a substantial drop in sales during the current year.
j)	Return on capital employed (In %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.00	0.00	-66.58%	Decrease in EBIT in current year
k)	Return on investment (In %)	Income generated from Investments (Finance Income)	Time weightage average Investment	NA	NA	NA	N.A

XI. CAUTIONARY STATEMENT

Statements contained in this Management Discussion and Analysis Report describing the Company's objectives, expectations, estimates, outlook and other forward-looking statements may constitute forward-looking statements within the meaning of applicable securities laws and regulations.

These statements are based on certain assumptions and expectations concerning future events and are subject to various risks and uncertainties. Actual results may differ materially from those expressed or implied in such statements due to factors including economic conditions, market developments, regulatory changes, investment performance, competition, business risks and other factors beyond the control of the Company.

The Company does not undertake any obligation to publicly update or revise any forward-looking statements, except as may be required under applicable laws and regulations.

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

Date: 03.09.2026
Place: Delhi

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Gopal Bansal
Managing Director
DIN: 01246420



India Finsec Limited

CORPORATE GOVERNANCE REPORT

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

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

2. BOARD OF DIRECTORS

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

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships as on March 31, 2026 are given below:

Composition and Category of Directors:

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

Name	Designation	Category	No. of other Directorships in public listed entities	Attendance at Board Meetings	Number of committee positions held in other Public Companies		Attendance at previous AGM
					Memberships	Chairman	
Mr. Gopal Bansal	Managing Director	Executive Director	-	Yes	2	0	Yes
Mr. Mukesh Sharma	Director	Non-Executive Director	-	Yes	0	0	Yes
Mr. Amit Kumar Agarwal*	Independent Director	Non-Executive Director	-	Yes	0	0	Yes
Ms. Purva	Independent Director	Non-Executive	-	Yes	0	0	Yes

Mangal* *		Director					
Mr. Devi Dass Agarwal	Independent Director	Non-Executive Director	-	Yes	1	0	Yes

**Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025*

***Ms. Purva Mangal was appointed as an Additional Director with effect from 22 March 2025 and was subsequently **regularised as an Independent Non-Executive Director** with effect from 21 June 2026, pursuant to the approval of the members.*

➤ **Meetings of the Board of Directors**

The Board of Directors met 14 (Fourteen) times i.e. 15-04-2025, 24-04-2025, 22-05-2025, 07-07-2025, 17-07-2025, 24-07-2025, 07-08-2025, 26-09-2025, 16-10-2025, 31-12-2025, 07-01-2026, 27-01-2026, 24-02-2026, 27-03-2026 during the financial year 2025-2026 respectively.

Name	Designation	Category	Board Meetings during the period & Attendance at Board Meetings	
			Held	Attended
Mr. Gopal Bansal	Managing Director	Executive Director	14	14
Mr. Mukesh Sharma	Director	Non-Executive Director	14	14
Ms. Purva Mangal	Independent Director	Non-Executive Director	14	14
Mr. Amit Kumar Agarwal	Independent Director	Non-Executive Director	5	5
Mr. Devi Dass Agarwal	Independent Director	Non-Executive Director	14	14

**Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025*

***Ms. Purva Mangal was appointed as an Additional Director with effect from 22 March 2025 and was subsequently **regularised as an Independent Non-Executive Director** with effect from 21 June 2026, pursuant to the approval of the members.*

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

Name of Non-Executive Director	Number of Shares

**Ms. Purva Mangal (Non-Executive Independent Director)	0
*Mr. Amit Kumar Agarwal (Non-Executive Independent Director)	0
Mr. Mukesh Sharma(Non-Executive Director)	1292540
Mr. Devi Dass Agarwal (Non-Executive Independent Director)	0
Total	1292540

Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from **17.07.2025*

***Ms. Purva Mangal was appointed as an Additional Director with effect from **22 March 2025** and was subsequently **regularised as an Independent Non-Executive Director** with effect from **21 June 2026**, pursuant to the approval of the members.*

➤ **Web Link where details of Familiarization Programs imparted to Independent Directors is disclosed:**

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

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

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

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

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

➤ **Internal Control**

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

➤ **Information supplied to the Board**

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

- Quarterly results of the Company

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

➤ **Minutes of the Board Meeting**

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

➤ **Code of Ethics**

The Company has prescribed a code of ethics for its Directors and senior management personnel. A declaration by the Executive Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2025-2026 is given below:

➤ **Declaration – Code of Conduct**

This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2025-2026 as required under “**Listing Regulations**” of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

3. **BOARD COMMITTEES**

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

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

➤ **AUDIT COMMITTEE**

Terms of Reference:

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

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.

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

Composition of Audit Committee

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

Meetings of the Audit Committee and Attendance of the Members during 2025-2026

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
*Mr. Devi Dass Agarwal	Chairman	4	4
Mr. Gopal Bansal	Member	4	4
*Mr. Amit Kumar Agarwal	Chairman	1	1
**Mrs. Purva Mangal	Member	3	3

*Note: *1. The Audit Committee was reconstituted pursuant to the resignation of Mr. Amit Kumar Agarwal from the position of Chairman of the Audit Committee. Consequently, Mr. Devi Dass was appointed as Chairman of the Audit Committee wef 17.07.2025.*

***2. Ms. Purva Mangal (DIN: 02816099) was appointed as a Member of the Audit Committee wef 17.07.2025.*

During the year, Four (4) Audit Committee meetings were held as on 22.05.2025, 07.08.2025, 16.10.2025 and 27.01.2026 respectively.

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. During the year all the directors, senior management personnel and other employees complied the vigil mechanism and none of the complaints are received against any directors and employees for any fraudulent dealings. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. The Company has established a Vigil (Whistle Blower) mechanism that provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company www.indiafinsec.in.

➤ **NOMINATION & REMUNERATION COMMITTEE**

Terms of Reference

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

Composition

The Nomination & Remuneration Committee of the Company has constituted with three (3) directors and it was reconstituted due to the resignation of Mr Amit Kumar Agarwal (DIN: 08768575), Independent Director of the Company, and the subsequent appointment of Mrs. Purva Mangal in his place.

Meetings of the Nomination & Remuneration Committee and Attendance of the Members during 2025-2026.

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Devi Dass Agarwal	Chairman	4	4
Mr. Mukesh Sharma	Member	4	4
*Mr. Amit Kumar Agarwal	Chairman	3	3
**Ms. Purva Mangal	Member	1	1

Note: *1 The Nomination & Remuneration Committee was reconstituted pursuant to the resignation of Mr. Amit Kumar Agarwal from the position of Chairman of the Audit

Committee. Consequently, Mr. Devi Dass was appointed as Chairman of the Audit Committee wef 17.07.2025.

***2. Ms. Purva Mangal (DIN: 02816099) was appointed as a Member of the Audit Committee wef 17.07.2025.*

During the year, 4 (Four) Nomination & Remuneration Committee meetings were held as on 22.05.2025, 07.06.2025, 17.06.2025 and 07.08.2025 respectively.

Nomination & Remuneration Policy

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

It also includes:

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

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

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

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

S. No.	Particulars of Remuneration	Name of MD/WTD	
		Gopal Bansal	Total Amount (Rs.)

1.	Gross Salary (a)Salary as per provisions contained in section17 (1) of the Income-taxAct,1961 (b)Value of perquisites u/s17(2) of the Income-taxAct,1961 (c)Profits in lieu of salary under section17(3)Income- taxAct,1961	0 0 0	0 0 0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify	0	0
5.	Others, please specify	0	0
6.	Total(A)	0	0

(b) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2025-2026

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

**Mr. Amit Kumar Agarwal resigned from the position of Independent Director with effect from 17.07.2025*

***Ms. Purva Mangal was appointed as an Additional Director with effect from 22 March 2025 and was subsequently **regularised as an Independent Non-Executive Director** with effect from 21 June 2026, pursuant to the approval of the members.*

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.

Criteria for Performance Evaluation by Nomination Committee

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

➤ **STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

Composition as on date

The Stakeholders Relationship Committee of the Company has constituted with three (3) directors and it was reconstituted due to the resignation of Mr Amit Kumar Agarwal (DIN: 08768575), Independent Director of the Company, and the subsequent appointment of Mrs. Purva Mangal in his place.

During the year, 1 (One) Stakeholders Relationship Committee meeting was held as on 07.08.2025.

Composition, meetings of the Stakeholders Relationship Committee and Attendance of the Members during 2025-2026

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Devi Dass Agarwal	Chairman	1	1
Mr. Gopal Bansal	Member	1	1
Ms. Purva Mangal	Member	1	1

Compliance Officer

Name	Designation
*Mr. Rahul	Company Secretary & Compliance Officer
*Ms. Prachi Bansal	Company Secretary & Compliance Officer

**Note: Mr. Rahul was appointed as the Company Secretary (Key Managerial Personnel) with effect from 05th February, 2025. However, Mr. Rahul tendered his resignation from the post of company secretary and compliance officer with effect from 4th April, 2026. And Ms. Prachi Bansal*

has been appointed in the Company as Company Secretary and Compliance Officer with effect from 14th May, 2026.

Pending Investors' Complaints

No investor complaints are pending as on the date of Board's Report. The Company does not have any pending share transfers as on the date of Board's Report. The details of number of complaints during the financial year 2025-2026 are mentioned below:

S. No.	Nature of Queries/ Complaints	Pending as on 01.04.2025	Received during the year	Redressed during the year	Pending as on 31.03.2026
1	Transfer/ Transmission of Duplicate Share Certificate	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend	Nil	Nil	Nil	Nil
3	Dematerialization/Rematerialization of Shares	Nil	Nil	Nil	Nil

➤ RISK MANAGEMENT COMMITTEE

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

The Risk Management Committee has been constituted with the three directors it was reconstituted due to the resignation of Mr Amit Kumar Agarwal (DIN: 08768575), Independent Director of the Company, and the subsequent appointment of Mrs. Purva Mangal in his place.

Meetings of the Risk Management Committee and Attendance of the Members during 2025-2026

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Gopal Bansal	Chairman & Member	2	2
*Mr. Amit Kumar Agarwal	Member	2	2
Mr. Devi Dass Agarwal	Member	2	1
*Ms. Purva Manga	Member	1	1

*Note: *The Risk Management Committee was reconstituted pursuant to the resignation of Mr. Amit Kumar Agarwal from the position of Member of the Committee. Subsequently, Ms. Purva Mangal (DIN: 02816099) was appointed as a Member of the Risk Management Committee wef 17th July, 2025.*

During the year, 2 (Two) Risk Management Committee meetings were held as on 15.04.2025 and 24.07.2025.

4. INDEPENDENT DIRECTOR

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

5. MEETING OF INDEPENDENT DIRECTOR

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

6. GENERAL BODY MEETINGS

➤ ANNUAL GENERAL MEETINGS

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

Day	Date	Time	Venue	Whether any Special Resolution passed in the Annual General Meeting (Yes/ No)
Monday	28.08.2023	09:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Friday	27.09.2024	09:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Thursday	31.07.2025	11:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes

➤ EXTRAORDINARY GENERAL MEETINGS

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

➤ POSTAL BALLOT

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

APPOINTMENT OF MRS. PURVA MANGAL (DIN: 02816099) AS THE NON-EXECUTIVE INDEPENDENT DIRECTOR FOR ANOTHER TERM OF FIVE YEARS

The Postal Ballot Notice dated May 22, 2025 along with necessary statement setting out the material facts under Section 102 of the Act were sent through electronic mail to those members whose names appeared in the Register of Members/ List of Beneficiaries as on 16th May, 2025 and who had registered their email ID with the Company / RTA / Depositories in compliance with the MCA Circulars. The Company has also placed the notice of the Postal Ballot on the website of the Company.

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

The remote e-voting period remained open from Friday, 23rd May, 2025, 9:00 A.M. to Saturday, 21st June, 2025, 5:00 P.M. During the said period, the Members of the Company, holding shares as on the cut-off date were entitled to vote on the resolution set out in the Postal Ballot Notice through remote e-voting.

The Scrutinizer issued the Scrutinizer's Report dated 23.06.2025, confirming that the Special Resolution set out in Item No. 1 of the Postal Ballot Notice was passed by the members through remote e-voting with the requisite majority.

7. COMPLIANCE WITH MANDATORY/NON- MANDATORY REQUIREMENTS

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

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

8. DISCLOSURES

- Transactions of material nature have been entered into by the company with directors or management and their relatives etc. has been enclosed in AOC-2 to the Board Report. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
- The Company is regular in complying with the requirements of the Stock Exchange, SEBI, RBI and other statutory authorities on all the relevant matters. There were no cases of penalties or

strictures imposed on the Company by any Stock Exchange, SEBI, RBI or any other statutory authorities for any violation related to the Capital Market / any other related matter or relating to condition of Licensing by the RBI, during the year.

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). **Investment in Subsidiary Company.**
- The Company is in compliance with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has fulfilled the non-mandatory requirements.
- During the reporting period, there were no instances of non-compliance with the provisions of the Companies Act, 2013, including the applicable Rules, Accounting Standards notified under Section 133, and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs. The Company has complied with all applicable requirements in a timely and appropriate manner.
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of Financial Statements.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.
- The Company has well framed Vigil Mechanism/ Whistle Blower Policy and we affirmed that no personnel has been denied access to the Audit Committee.
- The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.
- A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable.
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. Details relating to fees paid to the Statutory Auditors are given in Note 24 to the Standalone Financial Statements and Note 37 to the Consolidated Financial Statements.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' report.

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

9. MEANS OF COMMUNICATION

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

10. MATERIALLY RELATED PARTY DISCLOSURES

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

11. SUBSIDIARY COMPANY

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

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

12. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Schedule	
Date	September 29, 2026 (Tuesday)
Time	11:30 A.M.
Venue	D-16, First Floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
Date of Book Closure	
Saturday, September 19, 2026 to Friday, September 25, 2026	
Financial Year	
April 1, 2025 to March 31, 2026	
Dividend Payment Date	
Not Applicable	
Name and Address of the Stock Exchange at which the Company's securities are listed	
BSE Limited Address: PJ Towers, Dalal Street Fort, Mumbai-400001	
Company has paid the Annual Listing Fee to Bombay Stock Exchange for the Financial Year 2025-26	
Company has paid the Annual Custodial Fee for the Financial Year 2025-26	
Stock Code	
BSE Limited- 535667	
Registrar to an issue and share transfer agents	
M/s Skyline Financial Services Private Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Contact No.-011-64732681 to 88 Email Id- admin@skylinerta.com	
Address for Correspondence	
D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 Contact No. 011-47096097 Email- indiafinsec@gmail.com ISIN:-INE474O01010	
Share Transfer System	
The Company has delegated the authority to approve shares received for transfer in physical form to M/s Skyline Financial Services Private Limited.	
Dematerialization of shares and liquidity	
Company has an agreement with M/s Skyline Financial Services Private Limited for dematerialization of shares	
Outstanding GDR or ADR or warrants or any convertible instruments, conversion date and likely impact on equity	
Nil	
Plant Locations	
We have only Registered Office in New Delhi	
Corporate Secretarial/Investors' Assistance Department	
Ms. Prachi Bansal, Company Secretary of the Company	
Distribution of Shareholding as on March 31, 2026	

No. of Shares or Debentures	Number of Shareholders	% to Total Numbers	Share or Debenture Held	% to Holding	
1	2	3	4	5	
Up To 500	707	85.49	20551.00	0.07	
501 To 1000	8	0.97	6836.00	0.02	
1001 To 2000	7	0.85	9587.00	0.03	
2001 To 3000	4	0.48	10105.00	0.03	
3001 To 4000	1	0.12	3600.00	0.01	
4001 To 5000	1	0.12	4700.00	0.02	
5001 To 10000	32	3.87	311420.00	1.07	
10000 and Above	67	8.10	28824916.00	98.74	
Total	827	100.00	29191715.00	100.00	

Market Price Data

Month	Open	High	Low	Close	No of Shares	No of Trades	Total Turnover	Deliverable Quantity	% Deliverable Qty to Traded Qty	* Spread H-L	* Spread C-O
Apr 25	159.00	175.00	141.45	155.00	9,529	304	14,69,814	7,205	75.61	33.55	-4.00
May 25	127.60	159.90	127.60	150.20	29,316	288	41,82,661	25,213	86.00	32.30	22.60
Jun 25	150.00	172.60	135.00	154.00	7,029	265	10,35,954	5,697	81.05	37.60	4.00
Jul 25	146.55	160.70	125.00	148.70	12,955	285	18,58,814	10,970	84.68	35.70	2.15
Aug 25	145.75	174.90	140.50	159.95	7,633	247	11,48,822	5,626	73.71	34.40	14.20
Sep 25	159.95	180.00	147.45	175.00	4,905	167	7,96,744	2,997	61.10	32.55	15.05
Oct 25	175.00	210.00	145.00	170.00	8,883	266	15,17,905	5,483	61.72	65.00	-5.00
Nov 25	169.15	199.85	156.00	165.80	6,104	184	10,55,732	4,011	65.71	43.85	-3.35
Dec 25	178.00	191.35	145.20	178.25	10,106	275	16,94,532	7,774	76.92	46.15	0.25
Jan 26	178.25	223.80	142.60	161.70	37,602	689	60,10,070	28,021	74.52	81.20	-16.55
Feb 26	161.50	199.00	154.35	185.00	5,798	260	10,19,505	4,277	73.77	44.65	23.50

Mar 26	175. 00	223. 50	140. 10	175.3 5	1,97,4 37	207	3,58,75 ,734	1,95,10 8	98.82	83.40	0.35
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**For and on behalf of Board
India Finsec Limited**

**Date: 03.09.2026
Place: Delhi**

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

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



India Finsec Limited

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

To
The Members of
India Finsec Limited
D-16, 1st Floor, above ICICI Bank,
Prashant Vihar, Sector-14,
Rohini, New Delhi-110085

I have examined the compliance of conditions of Corporate Governance by India Finsec Limited (hereinafter referred to as “the Company”), for the year ended on March 31, 2026 as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sarita Singh & Associates
(Company Secretaries)

Sarita Singh
(Proprietor)
M. No-55937, COP-24682,
PR No. 6998/2025
UDIN- A055937H001331101

Date: 03.09.2026
Place: Hyderabad



India Finsec Limited

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To,
The Members of
India Finsec Limited
D-16, 1st Floor, above ICICI Bank,
Prashant Vihar, Sector-14,
Rohini, New Delhi-110085

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s India Finsec Limited having CIN L65923DL1994PLC060827** and having registered office at D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

**For Sarita Singh & Associates
(Company Secretaries)**

SD/-
Sarita Singh
(Proprietor)
M. No-55937, COP-24682,
PR No. 6998/2025
UDIN- A055937H001331002

Date: 03.09.2026
Place: Hyderabad



India Finsec Limited

CHAIRMAN'S DECLARATION ON CODE OF CONDUCT

To,
The Members of
India Finsec Limited
New Delhi

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

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2026.

For and on behalf of
Board of India Finsec Limited

Date: 03.09.2026
Place: New Delhi

SD/-
Gopal Bansal
Chairman & Managing Director
DIN-01246420



India Finsec Limited

CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

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

- (a) We have reviewed Audited financial results for the quarter and year ended March 31st, 2026 and that to the best of our knowledge and belief we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the quarter and year ended March 31st, 2026 which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (e) Based on our recent evaluation, we have indicated to the auditors and the Audit committee:
 - i. That there are no significant changes in internal control over financial reporting during the quarter;
 - ii. That there are no significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial results; and
 - iii. That no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

For India Finsec Limited

Place: New Delhi
Date: 03.09.2026

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

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



India Finsec Limited

INDEPENDENT AUDITORS' REPORT

To the Members of India Finsec Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **India Finsec Limited** ('the company') which comprise the balance sheet as at **March 31, 2026**, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period.

These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon. We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter

1. Attention is drawn to Note no 35 of Notes to financial statements “On 15 April 2025 the company has intimated to stock exchange vide board resolution dated 15 April 2025 that the company has decided to surrender the NBFC-ICC certificate of Registration to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC. The company will act as an unregistered Core Investment Company (CIC) upon receipt of approval for cancellation of its Certificate of Registration (CoR) as a Non-Banking Financial Company – investment and Credit Company (NBFC-ICC), as the company meets the eligibility criteria to operate as a unregistered core investment company (CIC). Therefore the financial statement for the year ended March 31, 2026 were prepared in Division II of Schedule III of the Companies Act 2013, Previous year figure has been regrouped accordingly to make it comparable.

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

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the

accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) The matter described in the Emphasis of matter paragraph above, in our opinion may not have an adverse effect on functioning of the company.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31,2026 is as follows:
- vii) 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 Registration No.012063N

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588BZDGKL9118

Place: New Delhi
Dated: 14/05/2026

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31, 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 does not have any intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date.
- e) The company has not revalued its Property, Plant and Equipment during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

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

3) Investments, Guarantee/Security, Loan and Advance

- a) During the year, the company has not given any loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has not made any investments during the year; however, the company has provided financial guarantee to the subsidiary company that is not prejudicial to the interest of the company.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
- d) The company does not have any amount overdue for more than ninety days. Accordingly, the provisions of clause 3(iii)(d) of the Order are not applicable to the Company and hence not commented upon.
- e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.
- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

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

5) Public Deposits

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

6) Cost Records

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

7) Statutory Dues

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- b) According to the information and explanation given to us, there are no disputed amounts payable in respect of income tax as on March 31, 2026 for a period of more than six months from the date they became payable.

8) Unrecorded Income

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

9) Repayment Of Dues

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

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit;
- b) The company has not been declared a willful defaulter by any bank or financial institution or other lender.
- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) the company has not utilized any loan raised for short term purpose for long term purposes.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. The company does not hold any securities in any associates or joint venture.

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

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.

11) Fraud

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

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

12) Nidhi Company

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

13) Transaction With Related Parties

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

14) Internal Audit System

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

15) Non-Cash Transaction with Director

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

16) Registration With RBI

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

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

17) Cash Losses

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

18) Considerations Of Issues Raised by Outgoing Auditor

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

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

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

20) Transfer Of Unspent CSR Amount

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

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

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

For Ajay Rattan & Co.

Chartered Accountants

Firm Registration No.012063N

SD/-

CA. Varun Garg

Partner

Membership No. 523588

UDIN: 26523588BZDGKL9118

Place: New Delhi

Dated: 14/05/2026

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of India Finsec Limited the year ended March 31, 2026

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

We have audited the internal financial controls over financial reporting of **India Finsec Limited** (“the Company”) as of **March 31, 2026** in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Registration No.012063N

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588BZDGKL9118

Place: New Delhi
Dated: 14/05/2026

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
STANDALONE BALANCE SHEET AS AT 31 MARCH 2026

		(₹ In '000')	
Particulars	Note No.	As at 31 Mar 26	As at 31 Mar 25
Assets			
Non-Current Assets			
Property Plant & Equipment	5	244.15	291.24
Financial assets			
Investment	6	7,75,688.38	7,75,688.38
Deferred Tax Assets (Net)	7	256.26	154.16
		7,76,188.79	7,76,133.78
Current Assets			
Financial Assets			
Cash and Cash Equivalents	8.1	8,406.76	7,296.15
Other financial asset	8.2	-	497.37
Current Tax assets (net)	9	2,934.41	3,019.36
Other current assets	10	130.55	55.59
		11,471.72	10,868.47
TOTAL ASSETS		7,87,660.51	7,87,002.25
Equity and Liabilities			
Equity			
Equity Share Capital	11	2,91,917.15	2,91,917.15
Other Equity	12	4,94,735.81	4,94,358.87
		7,86,652.96	7,86,276.02
Liabilities			
Non-Current Liabilities			
Provisions	13	407.49	-
		407.49	-
Current Liabilities			
Financial Liabilities			
Trade Payables	14		
(a.) total outstanding dues of micro enterprises and small enterprises		54.00	54.00
(b). total outstanding dues of creditors other than micro enterprises and small enterprises		71.49	47.55
Other financial liabilities	15	157.95	555.75
Other Current Liabilities	16	7.58	68.93
Provisions	17	78.56	-
Current Tax Liabilities (Net)	18	230.48	-
		600.06	726.23
Total Equity and Liabilities		7,87,660.51	7,87,002.25

Summary of material accounting policies and accompanying notes form an integral part of these financial statements. 1 to 41

As per our report of even date attached

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

For and on Behalf of the Board of
INDIA FINSEC LIMITED

SD/-
C.A. Varun Garg
Partner
Membership No.: 523588
UDIN: 26523588BZDGKL9118

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

Place : New Delhi
Dated : 14/05/2026

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026**(₹ In '000')**

Particulars	Notes	For the year ended 31 Mar 26	For the year ended 31 Mar 25
Revenue from operations			
Interest Income	19	-	1,804.08
Fees and commission income	20	350.00	850.00
Total Revenue from operations		350.00	2,654.08
Other income	21	3,754.67	5,132.63
Total Income (I)		4,104.67	7,786.71
Expenses			
Finance costs	22	-	885.21
Employee benefit expenses	23	2,620.23	2,523.24
Depreciation, amortization and impairment	5	47.10	78.04
Other expenses	24	932.02	3,673.80
Total Expense (II)		3,599.35	7,160.29
Profit/ (loss) before exceptional items and tax (I-II)		505.32	626.42
Exceptional items		-	-
Profit/ (loss) before tax		505.32	626.42
Tax Expense			
Current tax	25	230.48	138.53
Deferred tax		(102.10)	21.72
Tax adjustment for earlier years		-	455.23
profit for the year from continuing operations		376.94	10.94
Profit/ (loss) after tax (III)		376.94	10.94
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income (IV)		-	-
Total Comprehensive Income (III+IV)		376.94	10.94
Earning per equity share (face value ₹ 10/- per equity share)			
Basic (Amount in ₹)	26	0.01	0.00
Diluted (Amount in ₹)	26	0.01	0.00

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

1 to 41

As per our report of even date attached

FORAJAY RATTAN & CO.

Chartered Accountants

Firm Registration No. 012063N

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

SD/-

CA. Varun Garg

Partner

Membership No. 523588

UDIN: 26523588BZDGKL9118

SD/-

Gopal Bansal

Managing Director

DIN: 01246420

SD/-

Mukesh Sharma

Director

DIN: 00274217

Place: New Delhi

Dated: 14/05/2026

SD/-

Manoj Kumar Gupta

CFO

PAN: AEUPG8308R

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

	(₹ In '000')	
Particulars	For the year ended 31 Mar 26	For the year ended 31 Mar 25
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and exceptional items	505.32	626.43
Adjustments for items : -		-
Depreciation & amortization expense	47.10	78.04
Impairment of Financial instruments	-	(10.29)
Dividend not recovered	-	9.00
Income tax of previous year	-	(452.88)
Operating profit before working capital changes	552.42	250.30
Working capital adjustments : -		
(Increase)/ decrease in loans	-	3,601.16
(Increase)/ decrease in other financial assets	497.37	(480.00)
(Increase)/ decrease in other non-financial assets	(74.96)	19,387.63
Increase/ (decrease) in Trade Payable	23.94	-
Increase/ (decrease) in other financial liabilities and current liabilities	88.24	(1,631.51)
Increase/ (decrease) in other non-financial liabilities	(61.35)	(275.44)
(Increase) / decrease in current tax asset	84.95	(1,074.18)
Increase / (decrease) in current tax liabilities (net)	-	-
Cash generated from operations	1,110.61	19,777.97
Less: Direct taxes paid/(refund)	-	-
Net cash flow from operating activities (A)	1,110.61	19,777.97
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipments	-	(88.14)
(Purchase) of investments	-	(3,48,450.53)
Sale of investments	-	500.00
Net cash flow from investing activities (B)	-	(3,48,038.67)
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from borrowings	-	(7,800.00)
Share issue expenses	-	(427.00)
Issue of equity shares	-	42,500.00
Share premium	-	2,97,500.00
Net cash flow from financing activities (C)	-	3,31,773.00
Net cash flow during the year (A + B + C)	1,110.61	3,512.30
Add: Opening cash and cash equivalents	7,296.15	3,783.85
Closing cash and cash equivalents	8,406.76	7,296.15
Components of cash and cash equivalents		
Cash on hand	4,575.88	7,265.55
Cheques in hand	1,450.00	-
Balances with bank in current accounts	2,380.88	30.60
Total cash and cash equivalents	8,406.76	7,296.15

Notes:-

The above statement of cash flow has been prepared under the 'Indirect Method' as set out in IndAS 7 - 'Statement of Cash Flows'.

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

1 to 41

As per our report of even date attached

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588BZDGKL9118

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

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2026

(₹ In '000')

Equity share capital: -

I. Current reporting period

Balance at the 1st April 2025	Change in equity share capital due to prior period errors	Restated balance at the 1st April 2025	Changes in equity share capital during the current year	Balance at the 31st March, 2026
2,91,917.15	-	-		2,91,917.15

II. Previous reporting period

Balance at the 1st April 2024	Change in equity share capital due to prior period errors	Restated balance at the 1st April 2024	Changes in equity share capital during the current year	Balance at the 31st March, 2025
2,49,417.15	-	-	42,500.00	2,91,917.15

Other equity: -

I. Current reporting period

Particulars	Reserve & Surplus			Equity instruments through OCI	Total
	Securities Premium	Statutory Reserve (U/s 45-IC of the RBI Act, 1934)	Retained Earnings		
Balances as at 1st April 2025	4,58,154.05	8,877.43	27,327.39	-	4,94,358.87
Prior period error	-	-	-	-	-
Restated balance as at 1st April 2025	4,58,154.05	8,877.43	27,327.39	-	4,94,358.87
Profit/(loss) during the year	-	-	376.94	-	376.94
Share issued at premium	-	-	-	-	-
Less:-Expenses of share issue	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	-	-	376.94	-	376.94
Appropriation to reserves	-	-	-	-	-
Balance as at 31st March 2026	4,58,154.05	8,877.43	27,704.33	-	4,94,735.81

II. Previous Reporting Period

Particulars	Reserve & Surplus			Equity instruments through OCI	Total
	Securities Premium	Statutory Reserve (U/s 45-IC of the RBI Act, 1934)	Retained Earnings		
Balances as at 1st April 2024	1,61,081.05	8,875.24	27,317.56	-	1,97,273.85
Prior period error	-	-	1.07	-	1.07
Restated balance as at 1st April 2024	1,61,081.05	8,875.24	27,318.63	-	1,97,274.92
Profit/(loss) during the year	-	-	10.95	-	10.95
Share issued at premium	2,97,500.00	-	-	-	2,97,500.00
Less:-Expenses of share issue	427.00	-	-	-	427.00
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	-	-	10.95	-	10.95
Appropriation to reserves	-	2.19	(2.19)	-	-
Balance as at 31st March 2025	4,58,154.05	8,877.43	27,327.39	-	4,94,358.87

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.
As per our report of even date attached

1-41

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

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588BZDGKL9118

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

Place: New Delhi
Dated : 14/05/2026

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

NOTE 1

1. Corporate Information:

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

NOTE 2

2. Basis for preparation of Standalone Financial Statements:

(a) Compliance with Ind AS

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

(b) Basis of measurement/ Use of estimate

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

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

(c) New Standards/ Amendments and Other Changes adopted Effective 1 April 2025 or thereafter

The company has adopted new accounting standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time.

(d) Recent Accounting Pronouncements: During the year new standard or modifications in existing standards have been notified which will be applicable from 1 April 25 or thereafter.

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

In May 2025, Ind AS 21 Amendments – Currency 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.

2. 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.

3. 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.

4. 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.

(e) Functional and presentation currency

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

NOTE 3

3. Material Accounting Policies:

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

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

1.1. Initial recognition and measurement

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

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

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

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

1.2. Depreciation

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

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

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

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

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

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

3.(b) Revenue recognition:

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

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

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

2.3 Other revenue from operations: The Company recognizes 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 recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

3.(c) Financial Instruments:

3.1 Financial Assets:-

Recognition and initial measurement: -

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

Subsequent measurement: -

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

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

De- Recognition of financial Assets: -

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

Impairment of financial assets: -

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

3.2 Financial Liabilities : -

Recognition and initial measurement: -

All financial liabilities are recognized 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 amortized cost.

Subsequent measurement: -

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

De-recognition of financial liabilities

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

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

3.3 Off setting of financial instrument: -

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

3.4 Impairment of Financial Assets: -

Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind-AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

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

3.5 Expected Credit Loss (ECL): -

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

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

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

3.(d) Cash and cash equivalents

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

3.(e) Taxation

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

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

3.(f) Employee benefits

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

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

Post employment benefits policy (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.

3.(g) Earning per share

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

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

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

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

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

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

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

NOTE 4

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

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

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

4.1 JUDGEMENTS

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

Materiality

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

Provisions and contingencies

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

4.2 MAJOR ESTIMATES

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Useful life of property, plant and equipment and intangible assets

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

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Non-Current Assets**Note 5****Property Plant & Equipment**Property Plant & Equipment

Furniture And Fixture

75.98 92.77

Vehicle

25.68 25.68

Office Equipment

115.18 133.79

Computers

27.31 39.00

TOTAL**244.15 291.24**

Particulars	Vehicle	Office equipment	Furniture & Fixture	Computers	Total
Cost or Deemed Cost: -					
Balance as at 1 April 2024	513.56	1,327.86	825.92	770.65	3,437.99
Additions during the year	-	88.14	-	-	88.14
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31 March 2025	513.56	1,416.00	825.92	770.65	3,526.13
Additions during the year	-	-	-	-	-
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31 March 2026	513.56	1,416.00	825.92	770.65	3,526.13
Accumulated depreciation: -					
Balance as at 1 April 2024	487.88	1,259.47	705.37	704.11	3,156.84
Charge for the year	-	22.73	27.78	27.53	78.04
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31 March 2025	487.88	1,282.21	733.15	731.64	3,234.88
Charge for the year	-	18.61	16.79	11.70	47.10
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31 March 2026	487.88	1,300.82	749.94	743.34	3,281.98
Carrying amount: -					
Balance as at 31 March 2025	25.68	133.79	92.77	39.01	291.24
Balance as at 31 March 2026	25.68	115.18	75.98	27.31	244.15

Note:

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

Note 6**Investment (Non-Current)****In India****Investment in fully paid equity shares**

Investment in subsidiary (measured at cost)

Unquoted

In equity instrument

7,75,688.38 7,75,688.38

6,01,85,024 (PY- 6,01,85,024) Equity shares of M/s IFL Finance Limited

FV Rs 10/- each.

TOTAL**7,75,688.38 7,75,688.38**

Aggregate cost of quoted investment

7,75,688.38 7,75,688.38

Aggregate Market value of quoted investment

Note 7**Deferred Tax Assets (Net)****Deferred Tax Assets:**

Difference between accounting and Tax Depreciation

133.93 154.16

Defined Benefit Plans

122.33 -

TOTAL**256.26 154.16**

Deferred Tax Asset (DTA) is recognized on deductible temporary differences arising from items such as defined benefit plans, only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unabsorbed depreciation can be utilized.

Current Financial Assets**Note 8.1****Cash and Cash Equivalents****A. Balances with Banks**

- Current Account
- Cheques in hand

2,380.88	7,265.55
1,450.00	-
4,575.88	30.60

B. Cash On Hand**TOTAL****8,406.76 7,296.15****Note 8.2****Other Assets**

Other Receivables

- 17.37

Expense paid on behalf of subsidiary

- 480.00

Total**- 497.37****Note 9****Current Tax Asset (Net)**

Advance tax including TDS receivable

2,934.41 3,157.89

Less: Provision for Tax

- (138.53)

Total**2,934.41 3,019.36****Note 10****Current Financial Assets****Note 8.1****Cash and Cash Equivalents**

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	(₹ In '000')			
	As at 31 Mar 26		As at 31 Mar 25	
	Note 11			
Equity share capital	As at 31 March 2026		As at 31 March 2025	
	Nos.	(₹ In 000')	Nos.	(₹ In 000')
Authorized shares				
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
(Refer note (A) below)				
Total	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
Issued, subscribed and fully paid- up shares				
Equity shares of ₹ 10 each fully paid up	2,91,91,715	2,91,917.15	2,91,91,715	2,91,917.15
Total	2,91,91,715	2,91,917.15	2,91,91,715	2,91,917.15
Reconciliation of number of equity shares and amount outstanding				
	As at 31 March 2026		As at 31 March 2025	
	Nos.	(₹ In 000')	Nos.	(₹ In 000')
Equity Shares				
- At the beginning of the period	2,91,91,715	2,91,917.15	2,49,41,715	2,49,417.15
- Issued during the year (refer note below)	-	-	42,50,000	42,500.00
Total outstanding at the end of the period	2,91,91,715	2,91,917.15	2,49,41,715	2,49,417.15

Note- During the last financial year on 14 February 2025 the company has allotted 42,50,000 equity shares of Rs 10/- each, consequent to conversion of equal number warrants issued during that year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018.

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Nos.	% holding	Nos.	% holding
Gopal Bansal LLP (Earlier Fidelo Foods LLP)	45,37,050	15.54%	45,37,050	15.54%
Gopal Bansal	40,44,141	13.85%	40,44,141	13.85%
Ganga Devi Bansal	21,13,000	7.24%	21,13,000	7.24%
Precious Tradeways Private Limited	14,72,061	5.04%	14,12,971	4.84%
Escorp Asset Management Limited	20,00,000	6.85%	20,00,000	6.85%
Radhey Kishan	15,06,217	5.16%	15,06,217	5.16%
Total	1,56,44,069	53.68%	1,55,84,979	53.68%

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

Details of shares held by promoters in the Company

Promoter Name	31st March 2026		31st March 2025		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
Gopal Bansal	40,44,141	13.85%	40,44,141	13.85%	0.00%
Sunita Bansal	12,95,530	4.44%	12,95,530	4.44%	0.00%
Mukesh Sharma	12,92,540	4.43%	12,92,540	4.43%	0.00%
Manoj Sharma	7,60,665	2.61%	7,60,665	2.61%	0.00%
Gopal Bansal Huf	3,95,000	1.35%	3,95,000	1.35%	0.00%
Ganga Devi Bansal	21,13,000	7.24%	21,13,000	7.24%	0.00%
Gopal Bansal LLP (Earlier Fidelo Foods LLP)	45,37,050	15.54%	45,37,050	15.54%	0.00%
Daisy Distributors Private Limited	10,18,275	3.49%	10,18,275	3.49%	0.00%
Aryind Kumar Bansal	3,75,000	1.28%	3,75,000	1.28%	0.00%
Nidhi Bansal	5,10,861	1.75%	5,00,000	1.71%	0.04%
TOTAL	1,63,42,062	55.98%	1,63,31,201	55.94%	0.04%

Note 12

Other Equity Reserve & Surplus		
Share Premium		
Balance at the beginning of the year	4,58,154.05	1,61,081.05
Add: Addition during the year	-	2,97,500.00
Less: Share Issue Expense	-	427.00
Total	4,58,154.05	4,58,154.05
Special Reserve (u/s 45IC of RBI Act, 1934)		
Balance at the beginning of the year	8,877.43	8,875.24
Add: Addition during the year	-	2.19
Total	8,877.43	8,877.43
Retained earnings		
Balance at the beginning of the year	27,327.39	27,317.56
Add/(Less): Profit/ (loss) for the year	376.94	10.95
Add: Prior Period Adjustment	-	1.07
Less: Transfer to Special Reserve u/s 45-IC of RBI Act	-	(2.19)
Net surplus in statement of profit and loss	27,704.33	27,327.39
Other Comprehensive Income		
Balance at the beginning of the year	-	-
Add/Less: Movement in OCI (Net) During the year	-	-
Total	-	-
Total	4,94,735.81	4,94,358.87

Nature & Purpose of the Reserve:

(a) Securities premium: Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Reserves u/s 45 IC of Reserve Bank of India act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

(c) Retained earnings: The balance consists of surplus retained from earned profits after payment of dividends and tax thereon. Actuarial gains and losses for defined benefit plans are recognised through OCI in the period in which they occur. Re-measurements are not re-classified to the statement of profit and loss in subsequent period.

(d) Other Comprehensive Income: Other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value net of tax through other comprehensive income.

Non-Current Liabilities**Provisions****Provisions for Employee Benefits**

Defined Benefit Plan (Gratuity)

Note 13

Total

Refer Note 34 for comprehensive disclosures relating to the Company's defined benefit (gratuity) plan.

407.49

-

407.49

-

As at 31 March 2026

Movement of Provision as required by Para 84 of IND AS 37

Opening gross defined benefit liability/ (asset) (Recognised as Prior period adjustment)

Defined Benefit Plan

-

Expenses to be recognized in P&L

4,86,053.00

OCI- Actuarial (gain)/ loss-Total current period

-

Benefits paid (if any)

-

Closing gross defined benefit liability/ (asset)

4,86,053.00

Note 14

Trade Payables

-Total outstanding dues of micro enterprises and small enterprises

54.00

54.00

-Total outstanding dues other than micro enterprises and small enterprises

71.49

47.55

TOTAL

125.49

101.55

Trade Payables ageing schedule

31-Mar-26

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	<1 yr	1-2 yrs	2-3 yrs	>3 yrs	
MSME	54.00	-	-	-	-	54.00
Others	22.14	43.45	5.90	-	-	71.49
Disputed dues: MSME	-	-	-	-	-	-
Disputed dues: Others	-	-	-	-	-	-

31-Mar-25

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	<1 yr	1-2 yrs	2-3 yrs	>3 yrs	
MSME	54.00	-	-	-	-	54.00
Others	-	47.55	-	-	-	47.55
Disputed dues: MSME	-	-	-	-	-	-
Disputed dues: Others	-	-	-	-	-	-

Note 15

Other Financial Liabilities

Contract Liability (Financial Gaurantee)

-

350.00

Other Payable

-Salary Payable

157.95

205.75

TOTAL

157.95

555.75

Note 16

Other Current Liabilities

Statutory dues payable

7.58

68.93

TOTAL

7.58

68.93

Note 17

Provisions

Defined Benefit Plan (Gratuity)

78.56

-

TOTAL

78.56

-

Note 18

Current Tax Liability

Provision for Tax

230.48

-

Total

230.48

-

Particulars	As at 31 Mar 26	As at 31 Mar 25
	NOTE 19	
Interest income		
<u>On financial assets measured at amortized cost</u>		
Interest on loans	-	1,760.95
Interest on Debentures	-	43.13
Total	-	1,804.08
	NOTE 20	
<u>Fees and commission income</u>		
Service charge for corporate guarantee	350.00	850.00
Total	350.00	850.00
	NOTE 21	
Other income		
Interest Income on Income Tax Refund	4.67	5,122.35
Impairment reversal on loan	-	10.29
Recovery of Previously sundry balances written off	3,750.00	-
Total	3,754.67	5,132.64
	NOTE 22	
Finance cost		
<u>On financial liabilities measured at amortized cost :</u>		
- Interest on borrowings	-	885.21
Total	-	885.21

Particulars	As at 31 Mar 26	As at 31 Mar 25
	NOTE 23	
Employee benefit expenses		
Salaries and Wages	2,133.66	2,446.98
Contribution to other fund	0.52	6.24
Staff Welfare	-	12.68
Trainee Expenses	-	57.34
Retirement Benefits	486.05	-
Total	2,620.23	2,523.24
	NOTE 24	
Other expenses		
Advertisement expenses	116.15	86.98
Conveyance expenses	-	34.44
BSE Listing Fees	325.00	-
Fees & subscription	184.24	461.95
GST reversal u/s 42	61.33	122.60
Legal & professional charges	123.59	2,666.80
<u>Payment to statutory auditors</u>		
In capacity as auditors: -		
- towards audit fees	60.00	60.00
- other matters	25.00	25.00
Printing & stationery	-	4.71
Miscellaneous expenses	36.71	211.32
Total	932.02	3,673.80

Particulars	As at 31 Mar 26 NOTE 25	As at 31 Mar 25
Income tax		
Tax expense comprises of:		
Current tax	230.48	138.53
Deferred tax charge/(Credit)	(102.10)	21.72
Earlier years tax adjustments (net)	-	455.23
Income tax expense reported in the statement of profit and loss	128.38	615.48

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.167% and the reported tax expense in profit or loss are as

Accounting profit before income tax	505.32	626.42
At India's statutory income tax rate of 25.167%	127.17	157.65
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	-	-
Earlier years tax adjustments (net)	-	455.23
Others	1.21	2.60
Income tax expense	128.38	615.48

	NOTE 26	
Earning Per Shares: (in ₹)		
Profit attributable to the Equity Shareholders (₹)	3,76,937.77	10,944.51
Amount available for equity shareholders (₹)	3,76,937.77	10,944.51
Total number of equity shares outstanding at the beginning of the year	2,91,91,715	2,49,41,715
Total number of equity shares outstanding at the end of the year	2,91,91,715	2,91,91,715
Weighted average number of equity shares	2,91,91,715	2,54,65,688
Earning per share - Basic and diluted (₹)	0.01	0.00
Face value per equity share (₹)	10.00	10.00

Related parties :-

As per Ind AS 24, the disclosures of transactions with the related parties are given below: -

(a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -		
(i)	Subsidiary Company	M/s. IFL Finance Limited (Subsidiary)
(ii)	Key Management Personnel	Gopal Bansal (Managing Director)
		Manoj Kumar Gupta (CFO)
		Rahul (Company Secretary)(Resigned on 4th April 2026)*
(iii)	Relatives of Key Management Personnel	Ganga Devi Bansal(Mother of Managing Director)
		Sunita Bansal(Wife of Managing Director)
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Daisy Distributors Private Limited
		Goapl Bansal LLP

*Company Secretary of the company had resigned on 4th April 2026, The company is in process of hiring new company secretary.

(b) Transactions made with the "Related parties" during the year: -

(₹ in 000's)

S.No.	Transaction with	Nature of transaction	Transaction during the year	
			March 31 2026	March 31 2025
(i)	IFL Finance Limited (Subsidiary Co.)	Investment in equity shares	-	3,47,950.53
		Repayment received	-	63,900.00
		Loan given	-	63,900.00
		Service charge for Corporate Guarantee	350.00	850.00
		Expense paid on behalf of Subsidiary	-	480.00
		Interest Income	-	1,412.74
(ii)	Key Management Personnel: -			
	Mr. Gopal Bansal	Loan taken	-	-
		Loan repaid	-	-
		Loan given	-	9,500.00
		Loan received back	-	9,500.00
		Interest paid	-	-
	Mr. Manoj Kumar Gupta	Remuneration	1,500.00	1,289.40
	Mr. Rahul	Remuneration	611.36	94.98
(iii)	Relatives of Key Management Personnel: -			
	Mrs. Ganga Devi	Issue of shares	-	30,000.00

(c) Closing balances with "Related parties" at the end of the year: -

(₹ in 000's)

S.No.	Transaction with	Description	Balance as at	
			March 31 2026	March 31 2025
(i)	<u>Key Management Personnel:</u> -			
	Mr. Manoj Kumar Gupta	Remuneration	116.88	107.45
	CS Rahul	Remuneration	41.06	52.42
(ii)	Subsidiary Company	Reimbursement receivable	-	480.00

Financial instruments

Fair values hierarchy

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial instruments by category
Categories of Financial Instruments and its fair value measurement
(₹ in 000's)

Particulars	31 March 2026			31 March 2025		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial assets						
Investment in Debentures	-	-	-	-	-	-
Investment in Quoted Equity Instrument	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Cash and cash equivalents	-	-	8,406.76	-	-	7,296.15
Other bank balances	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	480.00
Total financial assets	-	-	8,406.76	-	-	7,776.15
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	125.49	-	-	101.55
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	125.49	-	-	101.55

Investment in subsidiary is measured at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows:

Particulars	Level	March 31 2026		March 31 2025	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Loans	Level 3	-	-	-	-
Other financial assets	Level 3	-	-	480.00	480.00
Total financial assets		-	-	480.00	480.00
Financial liabilities					
Borrowings	Level 3	-	-	-	-
Trade Payables	Level 3	93.34	93.34	101.55	101.55
Other financial liabilities	Level 3	157.94	157.94	555.75	555.75
Total financial liabilities		251.28	251.28	657.30	657.30

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Contingent Liabilities:
NOTE 29
(₹ in 000's)

S.No.	Particular	For the year ended 31st March 2026	For the year ended 31st March 2025
	Contingent liabilities not provided for: -		
(i)	Guarantees issued to Financial Institutions/ Bankers for loans against outstanding balances*	4,75,475	9,79,794
(ii)	Pending litigations by/ against the Company	-	-
	Total	4,75,475	9,79,794

*Sanction amount of outstanding loan as on 31st March 2026 is Rs. 15,55,000 (PY Rs. 21,15,000)

FINANCIAL RISK MANAGEMENT
NOTE 30

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, loans, Investments, trade receivables, other financial assets.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables, Loans and financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management**Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

The Company provides for expected credit loss based on the following:

	Basis of categorization	Provision for expected credit loss
Low	Cash and cash equivalents, investments, other bank balances, loans, trade receivables other financial assets	Life time expected credit loss or 12 month expected credit loss
Medium	Trade receivables and other financial asset	Life time expected credit loss or 12 month expected credit loss
High	Trade receivables and other financial asset	Life time expected credit loss fully provided for

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Credit rating	31 March 2026	31 March 2025
A: Low	-	-
B: Medium	-	-
C: High	-	-

Concentration of trade receivables, Loans

The Company's exposure to credit risk for trade receivables is Nil. Loans majorly represents loans provided to Individuals.

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2026

Particulars	Estimated gross	Expected credit	Carrying amount
Cash and cash equivalents	8,406.76	-	8,406.76
Investment	7,75,688.38	-	7,75,688.38
Other bank balances	-	-	-
Loans	-	-	-
Other financial assets	-	-	-

As at 31 March 2025

Particulars	Estimated gross	Expected credit	Carrying amount
Cash and cash equivalents	7,296.15	-	7,296.15
Investment	7,75,688.38	-	7,75,688.38
Other bank balances	-	-	-
Loans	-	-	-
Other financial assets	-	-	-

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Loans	Other financial asset
Loss allowance as on 31 March 2024	10.29	-
Impairment loss recognized/reversed during the year	(10.29)	-
Amounts written off	-	-
Loss allowance on 31 March 2025	-	-
Impairment loss recognized/reversed during the year	-	-
Amounts written off	-	-
Loss allowance on 31 March 2026	-	-

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2026	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	-	-	-
Trade payable	119.59	5.90	125.49
Other financial liabilities	101.55	-	101.55
Derivatives			
Derivative liability	-	-	-
Total	221.14	5.90	227.04

31 March 2025	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	-	-	-
Trade payable	101.55	-	101.55
Other financial liabilities	555.75	-	555.75
Derivatives			
Derivative liability	-	-	-
Total	657.30	-	657.30

Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument may fluctuate due to changes in market interest rates. Since the Company does not have any interest-bearing financial instruments such as borrowings or investments that are sensitive to market rate movements, this risk is not applicable to the Company.

NOTE 31

Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios -

Particulars	31 March 2026	31 March 2025
Net debt*	-	-
Total equity	7,86,652.96	7,86,276.02
Net debt to equity ratio	NA	NA

*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

*Since the Company has no outstanding borrowings or interest-bearing liabilities, the Debt-Equity Ratio is not applicable.

Revenue recognized in relation to contract liabilities

NOTE 32

Ind AS 115 requires disclosure of major changes on account of revenue recognized in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarized below:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Contract liabilities at the beginning of the year	-	-
Less: performance obligations satisfied in current year	-	-
Add: advance received during the year.	-	-
Contract liabilities at the end of the year	-	-

Disaggregation of revenue

Revenue arises mainly from the Interest income on loans and commission income.

Description	Year ended 31 March 2026	Year ended 31 March 2025
Interest Income	-	1,804.08
Commission Income	350.00	850.00
	350.00	2,654.08

Geographical markets	Year ended 31 March 2026	Year ended 31 March 2025
India	350.00	2,654.08
Others	-	-
	350.00	2,654.08

Reconcile the amount of revenue recognized in the statement of profit and loss with the contracted price

Description	Year ended 31 March 2026	Year ended 31 March 2025
Revenue recognized during the year	350.00	2,654.08
Less: Discount, rebates, credits etc.	-	-
Add/Less: Any adjustment during the year	-	-
Revenue as per the contract	350.00	2,654.08

Timing of Revenue recognition:

Description	Year ended 31 March 2026	Year ended 31 March 2025
Revenue recognized at point in time		
Interest Income, Sale of securities	-	1,804.08
Revenue recognized over time		
commission income	350.00	850.00
	350.00	2,654.08

NOTE 33

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 wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

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

(iv) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

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

(vi) Utilization of borrowed funds and share premium

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(vii) Undisclosed income

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

(viii) Details of crypto currency or virtual currency

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

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

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

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

The Company does not have any immovable property.

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

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period. Corporate Guarantee given by the company to subsidiary company is not liable for charge registration.

Ratio Analysis and its components**NOTE 34**

S.No	Particulars	Numerator	Denominator	March 31st, 2026	March 31st, 2025	% change	Reason for change more than 25%
a)	Current ratio (In times)	Current Assets	Current Liabilities	19.12	14.97	27.74%	Increase in Current Asset in the Current Year when compared with the last year.
b)	Debt-equity ratio (In times)	Total Debt	Shareholder's Equity	NA	NA	NA	NA
c)	Debt service coverage ratio (In %)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	NA
d)	Return on equity ratio (In %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity(Including Quasi Equity)	0.00	0.00	2600.20%	Increase in profit in current year
e)	Inventory turnover ratio (In times)	Cost of goods sold	Average Inventory	NA	NA	NA	N.A.
f)	Trade receivables turnover ratio (In times)	Net credit sales= Gross credit sales- sales return	Average Trade Receivable	NA	NA	NA	NA
g)	Trade payable turnover ratio (In times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	NA
h)	Net capital turnover ratio (In times)	Net Sales = Total sales- sales return	Working capital = Current assets – Current liabilities	0.03	0.26	-88.46%	Due to decrease in Revenue from operation
i)	Net profit ratio (In %)	Net Profit	Net Sales = Total sales- sales return	1.08	0.00	26021.50%	Due to significant rise in net profit despite a substantial drop in sales during the current year.
j)	Return on capital employed (In %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.00	0.00	-66.58%	Decrease in EBIT in current year
k)	Return on investment (In %)	Income generated from Investments	Time weightage average Investment	NA	NA	NA	N.A.

Disclosures as per IndAS 19 "Employee Benefit"

(i) Defined Contribution Plan:

Employee State Insurance: The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 0.52 thousands (March 31, 2025: Rs. 6.24 thousands) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan

Gratuity (unfunded): The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Table 1: Assumptions

Assumptions	March 31, 2026	March 31, 2025
Discount Rate	6.80% per annum	NA
Rate of increase in Compensation levels	5.00% per annum	NA
Rate of Return on Plan Assets	Not Applicable	NA
Average future service (in Years)	17.50 Years	NA

Table 2: Service Cost

All Figures in '000	March 31, 2026	March 31, 2025
Current Service Cost	50.54	NA
Past Service Cost (including curtailment Gains/Losses)	435.52	NA
Gains or losses on Non Routine settlements	-	NA
Total	486.05	NA

Table 3: Net Interest Cost

All Figures in '000	March 31, 2026	March 31, 2025
Interest Cost on Defined Benefit Obligation	-	NA
Interest Income on Plan Assets	-	NA
Net Interest Cost (Income)	-	NA

Table 4: Change in Present Value of Obligations

All Figures in '000	March 31, 2026	March 31, 2025
Opening of defined benefit obligations	-	NA
Liability Transfer In/(Out)	-	NA
Service cost	486.05	NA
Interest Cost	-	NA
Benefit Paid	-	NA
Actuarial (Gain)/Loss on total liabilities:	-	NA
- due to change in financial assumptions	NA	NA
- due to change in demographic assumptions	NA	NA
- due to experience variance	NA	NA
Closing of defined benefit obligation	486.05	NA

Table 5: Change in Fair Value of Plan Assets

All Figures in '000	March 31, 2026	March 31, 2025
Opening fair value of plan assets	-	NA
Asset Transfer In/ (Out)	-	NA
Actual Return on Plan Assets	-	NA
Employer Contribution	-	NA
Benefit Paid	-	NA
Closing fair value of plan assets	-	NA

Table 6: Actuarial (Gain)/Loss on Plan Asset

All Figures in '000	March 31, 2026	March 31, 2025
Expected Interest Income	-	NA
Actual Income on Plan Asset	-	NA
Actuarial gain /(loss) on Assets	-	NA

Table 7: Other Comprehensive Income

All Figures in '000	March 31, 2026	March 31, 2025
Opening amount recognized in OCI outside P&L account	-	NA
Actuarial gain / (loss) on liabilities	-	NA
Actuarial gain / (loss) on assets	-	NA
Closing amount recognized in OCI outside P&L account	-	NA

Table 8: The amount to be recognized in Balance Sheet Statement

All Figures in '000	March 31, 2026	March 31, 2025
Present Value of Obligations	486.05	NA
Fair value of plan assets	-	NA
Net Obligations	486.05	NA
Amount not recognized due to asset limit	-	NA
Net defined benefit liability / (assets) recognized in balance sh	486.05	NA

Table 9: Expense Recognized in Statement of Profit and Loss

All Figures in '000	March 31, 2026	March 31, 2025
Service cost	486.05	NA
Net Interest Cost	-	NA
Expenses Recognized in the statement of Profit & Loss	486.05	NA

Table 10: Major categories of plan assets (as percentage of tota

Item	March 31, 2026	March 31, 2025
Government of India Securities	0%	NA
State Government Securities	0%	NA
High Quality Corporate Bonds	0%	NA
Equity Shares of Listed Companies	0%	NA
Property	0%	NA
Special Deposit Scheme	0%	NA
Fund Managed by Insurer	0%	NA
Bank Balance	0%	NA
Other Investments	0%	NA
Total	0%	NA

Table 11: Change in Net Defined Obligations

All Figures in '000	March 31, 2026	March 31, 2025
Opening of Net defined benefit liability	-	NA
Service cost	486.05	NA
Net Interest Cost	-	NA
Re-measurements	-	NA
Liability Transferred In / (out) - Net	-	NA
Contribution paid to fund	-	NA
Closing of Net defined benefit liability	486.05	NA

NOTE 36

On 15-04-2025 the company has intimated to stock exchange vide board resolution dated 15-04-2025 that the company has decided to surrender the NBFC-ICC certificate of Registration in order to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC. The Company will act as an unregistered Core Investment Company (CIC) and the subsidiary company will act as a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC), as the Company meets the eligibility criteria to operate as a unregistered Core Investment Company (CIC). Therefore the financial statement for the year ended March 31, 2026 were prepared in Division II of Schedule III of the Companies Act 2013, Previous year figure has been regrouped accordingly to make it comparable.

NOTE 37

The financial statements were approved for issue by the Board of Directors on 14 May 2026.

NOTE 38

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

NOTE 39

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

NOTE 40

Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

NOTE 41

Figures in brackets indicate negative (-) figures.

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

SD/-

Gopal Bansal
Managing Director
DIN: 01246420

SD/-

Mukesh Sharma
Director
DIN: 00274217

SD/-

Manoj Kumar Gupta
CFO
PAN: AEUPG8308R



India Finsec Limited

INDEPENDENT AUDITOR'S REPORT

To
The Members of
INDIA FINSEC LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **INDIA FINSEC LIMITED** "hereinafter referred to as the Holding Company") and its subsidiary (Holding and subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2026, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31st March, 2026, and the consolidated Net Profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described hereunder to be key audit matters to be communicated in our report.

S. No.	Key audit matters	Auditor's response
1.	<u>Loans and advances: -</u>	<u>Our audit procedure inter- alia includes the following:</u>
	Loans are to be disclosed at Amortized Cost using Effective Interest Method prescribed 1. We evaluated the control environment under Ind AS 109 on 'Financial Instruments' including authorization, sanctioning and We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.	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 its treatment in 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.

Our report is not qualified in respect of above matters.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its subsidiary and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- 1 Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- 3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 5 Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Statement includes the audited financial statements of one subsidiary company namely IFL Finance Limited (formerly IFL Housing Finance Limited) included in the Statement, whose financial statements reflect total assets of Rs. 58,89,758.52 thousand as at 31 March 2026, total revenue of Rs. 8,57,016.82 thousand, total net profit after tax of Rs.

2,16,279.35 thousand, Other comprehensive income of Rs. 288.00 thousand and total comprehensive income of Rs. 2,16,567.35 thousand for the year ended 31 March 2026, respectively, and net cash inflow of Rs. 4,49,875.74 thousand for the year ended 31 March 2026 as considered in the Statement, whose financial statements have been audited by us.

Report on Other Legal and Regulatory Requirements

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

- 1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- 2 In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- 3 The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- 4 In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act;
- 5 On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2026 taken on record by the Board of Directors of the Holding Company and the audit report of the subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- 6 With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
- 7 With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our

opinion and to the best of our information and according to the explanations given to us:

- a. The consolidated financial statements have disclosed the impact, if any, of pending litigations on the consolidated financial position of the Group in its consolidated financial statements (Refer to **note no. 42** of the consolidated financial statements).
- b. The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
- d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- e. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- f. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- g. Dividend is not declared nor paid during the year by the company, hence compliance to section 123 is not applicable.
- h. Based on our examination which included test check performed by the us for both the company and the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, the company and subsidiary have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of audit trail feature being tampered with.
- i. No qualified/adverse comment under CARO, 2020 has been given in the subsidiary auditor's report.

B) As required by Section 197(16) of the Act, based on our audit of Holding and Subsidiary Company financial information, we report that the subsidiary company covered under the Act paid remuneration to their directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

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

**SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588YQXCJF6959**

**Place: New Delhi
Dated: 14/05/2026**

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31st March 2026, we have audited the internal financial controls over financial reporting of **INDIA FINSEC LIMITED** (hereinafter referred to as "the Holding Company") along with its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") as on that date.

Management's Responsibility for the Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Holding Company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary.

Meaning of Internal Financial Controls Over Financial Reporting

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of information and according to explanation given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, the Group have maintained in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2026, based on “the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India’.

Other Matters

Our aforesaid report under Section 143(3)(G) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is incorporated in India, is based on the corresponding report of the auditor of such company.

Our report is not qualified in respect of above matters.

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588YQXCJF6959

Place: New Delhi
Dated: 14/05/2026

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026

		(₹ in "000")	
Particulars	Notes	As at 31 Mar 26	As at 31 Mar 25
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	6	22,899.11	19,590.33
(b) Right to use Asset	6	1,12,322.52	86,577.00
(c) Investment Property	6	11,278.56	11,856.00
(d) Goodwill		980.09	980.09
(e) Other intangible assets	6	8,276.38	9,747.00
(f) Financial Assets			
(i) Loans	7	5,10,678.00	9,25,080.00
(ii) Other financial assets	8	6,602.23	5,754.32
(g) Deferred tax assets (net)	9	14,832.71	15,229.62
		6,87,869.60	10,74,814.36
CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and cash equivalents	10	5,71,841.86	1,20,854.92
(ii) Bank Balance other than Cash and cash equivalents	11	25,925.88	39,387.50
(iii) Loans	12	45,96,836.00	23,73,080.00
(iv) Other financial assets	13	8,959.77	15,458.42
(b) Current Tax Assets (net)	14	2,934.41	3,019.36
(c) Other Current Assets	15	8,347.44	3,770.96
		52,14,845.35	25,55,571.16
Total Assets		59,02,714.96	36,30,385.52
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	2,91,917.15	2,91,917.15
(b) Other equity	17	10,00,384.07	8,46,526.60
(c) Non Controlling Interest		5,33,440.35	4,70,553.93
Total Equity		18,25,741.57	16,08,997.68
NON-CURRENT LIABILITY			
(a) Financial Liabilities			
(i) Debt Securities	18	10,85,527.00	-
(ii) Borrowings (other than debt securities)	19	14,91,437.00	10,84,733.00
(iii) Lease Liability	20	1,27,075.74	99,309.00
(b) Provisions	21	8,710.02	6,448.50
		27,12,749.76	11,90,490.50
CURRENT LIABILITY			
(a) Financial liabilities			
(i) Debt Security	22	3,29,900.00	
(ii) Borrowings (other than debt securities)	23	9,75,283.00	7,93,229.00
(iii) Trade Payables	24		-
(A) total outstanding dues of micro enterprises and small enterprises		489.00	54.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		195.49	47.55
(iv) Lease Liability	25	1,976.00	-
(v) Other Financial Liabilities	26	29,370.64	-
(b) Provisions	27	3,351.74	-
(c) Other current liabilities	28	5,482.93	27,981.79
(d) Current tax liabilities (net)	29	18,174.83	9,585.00
		13,64,223.63	8,30,897.34
Total liabilities and equity		59,02,714.96	36,30,385.52

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

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As per our report of even date

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588YQXCJF6959

Date: 14/05/2026
Place: New Delhi

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

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31 MARCH 2026

		(₹ in "000")	
Particulars	Notes	For the year ended 31 Mar 26	For the year ended 31 Mar 25
Revenue from operations			
(i) Interest income	30	8,01,770.07	6,85,477.47
(ii) Fees and commission income	31	39,418.50	21,315.48
(iii) Other Operating Revenue	32	4,896.04	4,717.26
I Total revenue from operations		8,46,084.60	7,11,510.21
II Other income	33	14,686.88	7,722.40
III Total Income (I+II)		8,60,771.48	7,19,232.61
EXPENSES			
Finance costs	34	3,31,971.46	2,57,001.93
Impairment on financial instruments	35	5,191.60	-
Employee benefit expenses	36	1,50,409.63	1,36,253.36
Depreciation, amortisation and impairment	6	30,927.78	25,850.72
Other expenses	37	48,425.52	60,307.81
(IV) Total expense		5,66,925.99	4,79,413.81
Profit/ (loss) before exceptional items and tax (III-IV)		2,93,845.49	2,39,818.80
Exceptional items		-	-
Profit/ (loss) before tax		2,93,845.49	2,39,818.80
Tax expense	38		
Current tax		75,120.67	53,527.00
Deferred tax		301.39	4,549.72
Tax adjustment for earlier years		1,765.06	455.23
Total tax expense		77,187.12	58,531.95
Profit/ (loss) after tax (III)		2,16,658.37	1,81,286.85
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss			
-Remeasurements of Defined Benefit Obligation		385.00	(181.00)
-Income tax relating to items that will not be reclassified to profit and loss		(97.00)	46.00
Total other comprehensive income (IV)		288.00	(135.00)
Total comprehensive income (III+IV)		2,16,946.37	1,81,151.85
Net profit attributable to: -			
a) Owners of the parent		1,54,059.95	1,17,613.03
b) Non controlling interest		62,886.42	63,673.82
Total comprehensive income attributable to: -			
a) Owners of the parent		1,54,264.46	1,17,517.17
b) Non controlling interest		62,969.91	63,634.68
Earning per equity share (EPS)	39		
[nominal value of share ₹ 10]			
Basic (amount in ₹)		7.42	7.12
Diluted (amount in ₹)		7.42	7.12
Summary of material accounting policies and accompanying notes form an integral part of these financial statements.			
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As per our report of even date

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588YQXCJF6959

Date: 14/05/2026
Place: New Delhi

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

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2026

	(₹ in "000")	
Particulars	For the year ended on 31.03.2026	For the year ended on 31.03.2025
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net profit/ (loss) before tax and exceptional items	2,93,845.49	2,39,818.80
<u>Adjustments for items : -</u>		
Depreciation & amortization expense	30,927.78	25,850.72
Loss on sale of Asset	8.65	-
Impairment Loss on Financial instruments	24,859.00	(114.87)
Finance costs	3,30,549.56	2,53,284.89
Prior Period Items	(202.48)	177.00
Re-measurements of Defined Benefit Obligation through OCI	385.00	(181.00)
Interest income at amortised cost		(6,85,408.18)
Interest income on Fixed Deposit	(3,822.13)	
Fees and Commission Income		(21,315.48)
Cash inflow from Interest Income		6,43,153.90
Cash inflow from Fees and Commission Income		30,738.12
Cash outflow towards finance costs		(2,42,344.93)
Dividend not recovered		9.00
Income tax of previous year	(1,765.06)	(452.88)
Unrealised gain from fair value changes		-
Operating profit before working capital changes	6,74,785.81	2,43,215.09
<u>Working capital adjustments : -</u>		
(Increase)/ decrease in loans	(18,34,213.00)	(4,96,235.54)
(Increase)/ decrease in other financial assets	6,498.65	(8,162.63)
(Increase)/ decrease in other non-financial assets	(847.91)	18,517.02
(Increase)/ decrease in other current assets	(4,576.48)	
(Increase)/ decrease in current tax assets and liabilities	(66,446.90)	(935.65)
Increase/ (decrease) in provisions	5,613.26	2,181.50
Increase/ (decrease) in trade payables	582.94	-
Increase/ (decrease) in other financial liabilities	29,370.64	440.74
Increase/ (decrease) in current liabilities	(22,500.29)	-
Increase/ (decrease) in other non-financial liabilities	-	542.73
Cash generated from operations	(12,11,733.28)	(2,40,436.74)
Direct taxes paid	-	(54,093.00)
<u>Net cash flow from operating activities (A)</u>	(12,11,733.28)	(2,94,529.74)

CASH FLOW FROM INVESTING ACTIVITIES

(Increase)/Decrease in Bank Balance other than Cash & Cash Equivalents	13,461.63	50,000.50
Purchase of property, plant & equipments	(58,042.81)	(26,564.14)
Sale of property, plant & equipments	101.00	
Interest Earned on Fixed Deposits	3,822.13	5,879.07
Sale of investments	-	500.00

Net cash flow from investing activities (B)

	(40,658.05)	29,815.44
--	--------------------	------------------

CASH FLOW FROM FINANCING ACTIVITIES

Net proceeds from issue of equity share capital		39,800.00
Net proceeds from issue of non-convertible debentures	14,15,427.00	-
Interest expense on lease liabilities	(11,307.85)	(8,417.45)
Interest expense on borrowings	(3,19,241.71)	
Lease Rentals Paid	(26,138.52)	(20,307.42)
Increase in Lease Liability	55,881.35	8,416.76
Share premium	-	2,97,500.00
Share issue expenses	-	(427.00)
Net proceeds from borrowings	5,88,758.00	43,446.49

Net cash flow from financing activities (C)

	17,03,378.27	3,60,011.38
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Net cash flow during the year (A + B + C)

4,50,986.94	95,297.07
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Add: Opening cash and cash equivalents

1,20,854.92	25,557.85
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Closing cash and cash equivalents

5,71,841.86	1,20,854.92
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Components of cash and cash equivalents

Cash on hand	17,573.65	53,474.55
Cheques in hand	1,450.00	-
Balances with bank in current accounts	2,62,818.21	67,380.37
Balance with banks in fixed deposits (less than 3 months)	2,90,000.00	-

Total cash and cash equivalents

5,71,841.86	1,20,854.92
--------------------	--------------------

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

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As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Registration No. 012063N

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

SD/-

CA. Varun Garg

Partner

Membership No. 523588

UDIN: 26523588YQXCJF6959

SD/-

Gopal Bansal

Managing Director

DIN: 01246420

SD/-

Mukesh Sharma

Director

DIN: 00274217

SD/-

Manoj Kumar Gupta

CFO

PAN: AEUPG8308R

Date: 14/05/2026

Place: New Delhi

(₹ in "000")

	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2025	Changes in equity share capital during the current year	Balance as at 31 March 2026
A. Balance as at 1 April 2025	-	2,91,917.15		2,91,917.15

2,91,917.15

II. Previous reporting period	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2024	Changes in equity share capital during the current year	Balance as at 31 March 2025
Balance as at 1 April 2024	-	2,49,417.15	42,500.00	2,91,917.15

2,49,417.15

B. Other equity

I. Current reporting period Particulars	Reserve & Surplus				Equity instrument through other comprehensive income	Total equity attributable to the owner of parents	Total equity attributable to Non controlling interest	Total
	Retained earnings	Securities premium	In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961	Special reserve (u/s 45IC of RBI Act, 1934)				
Balance as at 1st April 2025	2,63,510.13	4,57,379.25	1,16,978.90	8,658.32	-	8,46,526.60	4,70,553.93	13,17,080.53
Changes in prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2025	2,63,510.13	4,57,379.25	1,16,978.90	8,658.32	-	8,46,526.61	4,70,553.93	13,17,080.53
Profit for the year	1,54,059.95	-	-	-	-	1,54,059.95	62,886.42	2,16,946.37
Shares issued at premium	-	-	-	-	-	-	-	-
Other comprehensive income (net)								
Less :- Share issue expenses	-	-	-	-	-	-	-	-
Total other comprehensive income	204.51	-	-	-	-	204.51	83.49	288.00
Total comprehensive income	1,54,059.95	-	-	-	-	1,54,059.95	62,886.42	2,16,946.37
Transfer to special reserves	-	-	-	-	-	-	-	-
Appropriation to statutory reserves	(43,255.87)	-	43,255.87	-	-	-	-	-
Less Adjustments	(202.48)	-	-	-	-	(202.48)	-	(202.48)
On issue of share capital by subsidiary	-	-	-	-	-	-	-	-

Balance as at 31st March 2026 3,74,111.73 4,57,379.25 1,60,234.77 8,658.32 - 10,00,384.07 5,33,440.35 15,33,824.42

II. Previous reporting period Particulars	Reserve & Surplus				Equity instrument through other comprehensive income	Total equity attributable to the owner of parents	Total equity attributable to Non controlling interest	Total
	Retained earnings	Securities premium	In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961	Special reserve (u/s 45IC of RBI Act, 1934)				
Balance as at 1st April 2024	1,82,124.47	1,63,006.25	80,723.90	8,656.13	-	4,34,510.75	4,06,867.93	8,41,378.68
Changes in accounting policy or prior period errors	125.68	-	-	-	-	125.68	51.32	177.00
Restated balance as at 1st April 2024	1,82,250.15	1,63,006.25	80,723.90	8,656.13	-	4,34,636.43	4,06,919.25	8,41,555.68
Profit for the year	1,17,613.03	-	-	-	-	1,17,613.03	63,673.82	1,81,286.85
Other comprehensive income (net)	-	2,97,500.00	-	-	-	2,97,500.00	-	2,97,500.00
Less :- Share issue expenses	-	(3,127.00)	-	-	-	(3,127.00)	-	(3,127.00)
Total other comprehensive income	(95.86)	-	-	-	-	(95.86)	(39.14)	(135.00)
Total comprehensive income	1,17,517.17	-	-	-	-	1,17,517.17	63,634.68	1,81,151.85
Transfer to special reserves	-	-	-	-	-	-	-	-
Appropriation to statutory reserves	(2.19)	-	-	2.19	-	-	-	-
On issue of share capital by subsidiary	-	-	-	-	-	-	-	-

Balance as at 31st March 2025 2,63,510.13 4,57,379.25 1,16,978.90 8,658.32 - 8,46,526.60 4,70,553.93 13,17,080.53

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

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Notes to the consolidated financial statements

As per our report of even date

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

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

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN: 26523588YQXCJF6959

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

Date: 14/05/2026

INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827
Notes to Consolidated financial statements for the year ended 31 March 2026

Particular	(₹ in "000")	
	As at 31 Mar 26	As at 31 Mar 25
Property , plant & Equipment	NOTE 6	
Property, plant & equipment	NOTE 6	
Carrying amount: -		
Furniture & fixtures	14,072.60	11,738.26
Vehicles	661.80	941.70
Office equipments	6,060.25	4,959.75
Computers	1,372.47	1,056.89
Plant & machinery	732.00	893.73
TOTAL	22,899.11	19,590.33

	Building	Office premises	Furniture & fixtures	Vehicles	Office equipments	Computers	Plant & Machinery	Total
Cost or Deemed Cost: -								
Balance as at 1st April 2024	-	97,370.50	16,590.79	3,614.53	10,163.33	11,020.02	1,765.67	1,40,524.84
Additions during the year	12,366.00	39,971.00	6,364.00	66.00	3,785.14	488.00	-	63,040.14
Asset disposed/ written off during the year	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	12,366.00	1,37,341.50	22,954.79	3,680.53	13,948.47	11,508.02	1,765.67	2,03,564.98
Additions during the year	-	44,574.35	6,463.69	-	4,067.87	945.48	-	56,051.38
Asset disposed/ written off during the year	-	-	(80.36)	-	(29.29)	-	-	(109.65)
Balance as at 31st March 2026	12,366.00	1,81,915.85	29,338.12	3,680.53	17,987.05	12,453.50	1,765.67	2,59,506.71
Accumulated depreciation: -								
Balance as at 1st April 2024	-	35,267.50	7,938.75	2,267.83	6,983.97	9,592.61	674.94	62,725.61
Charge for the year	510.00	15,497.68	3,277.78	471.00	2,004.73	858.53	197.00	22,816.72
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	510.00	50,765.18	11,216.53	2,738.83	8,988.70	10,451.14	871.94	85,542.32
Charge for the year	577.44	18,828.15	4,048.99	279.90	2,938.10	629.89	161.73	27,464.21
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-	-
Balance as at 31st March 2026	1,087.44	69,593.33	15,265.52	3,018.73	11,926.80	11,081.03	1,033.67	1,13,006.53
Carrying amount: -								
Balance as at 31st March 2025	11,856.00	86,577.00	11,738.26	941.70	4,959.77	1,056.88	893.73	1,18,023.33
Balance as at 31st March 2026	11,278.56	1,12,322.52	14,072.60	661.80	6,060.25	1,372.47	732.00	1,46,500.20

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

The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.

ROU	NOTE 6	
Office premises (right of use asset)	1,12,322.52	86,577.00
Total	1,12,322.52	86,577.00

Investment property	NOTE 6	
Residential flat	11,278.56	11,856.00
Total	11,278.56	11,856.00

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

Particulars	31-Mar-26	31-Mar-25
Rental income	600.00	550.00
Direct operating expenses arising from investment property that generated rental income during the year	-	-
Direct operating expenses arising from investment property that did not generate rental income during the year	-	-
Profit from investment properties before depreciation	-	-
Less: Depreciation for the year	577.44	510.00
Profit/(Loss) from investment property after depreciation	22.56	40.00

(ii) Fair Value of investment properties

Particulars	31-Mar-26	31-Mar-25
Fair value	17,010.30	11,856.00
Total	17,010.30	11,856.00

The fair value of investment property is ₹17,010.30 Thousands (31 March 2025: ₹11,856 Thousands) as determined by valuations carried out by independent valuer.

(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-Mar-25
Not later than 1 year	650.00	600.00
Later than 1 year but not later than 3 years	110.00	710.00
Total	760.00	1,310.00

The investment property was purchased during the current year itself therefore the fair value of the property was taken as per the stamp duty value and the same was executed at the market rate.

Carrying amount: -		
Software	8,276.38	9,747.00
TOTAL	8,276.38	9,747.00

Cost or deemed cost: -		
Balance as at 1st April 2024		20,843.51
Additions during the year		3,494.00
Balance as at 31st March 2025		24,337.51
Additions during the year		1,991.43
Assets disposal/ written off during the year		-
Balance as at 31st March 2026		26,328.94

Accumulated Depreciation: -		
Balance as at 1st April 2024		11,554.99
Charge for the year		3,034.00
Balance as at 31st March 2025		14,588.99
Charge for the year		3,463.57
Balance as at 31st March 2026		18,052.56

Carrying amount: -		
Balance as at 31st March 2025		9,747.00
Balance as at 31st March 2026		8,276.38

Loans	NOTE 7		
(A) Loans			
Term loans	-	-	-
Housing loans	5,23,726.00	9,35,360.00	
Loan against property	-	-	-
Loan against gold jewellery	-	-	-
TOTAL GROSS (A)	5,23,726.00	9,35,360.00	
Less: impairment loss allowance (expected credit loss)	13,048.00	10,280.00	
TOTAL NET (A)	5,10,678.00	9,25,080.00	
(B) (i) Secured by tangible assets	5,23,726.00	9,35,360.00	
(ii) Secured by intangible assets	-	-	
(ii) Unsecured	-	-	
TOTAL GROSS(B)	5,23,726.00	9,35,360.00	
Less: Impairment loss allowance (expected credit loss)	13,048.00	10,280.00	
TOTAL NET (B) (II)	5,10,678.00	9,25,080.00	
(C) (I) Loans in india	-	-	
(i) Public sector	-	-	
(ii) Others	5,23,726.00	9,35,360.00	
TOTAL GROSS (c) (I)	5,23,726.00	9,35,360.00	
Less: impairment loss allowance (expected credit loss)	13,048.00	10,280.00	
TOTAL NET (c) (I)	5,10,678.00	9,25,080.00	
(II) Loans outside india	-	-	
Less: Impairment loss allowance (expected credit loss)	-	-	
TOTAL NET (c) (II)	-	-	
TOTAL NET (c) (I) and (II)	5,10,678.00	9,25,080.00	

Additional disclosure in respect of loan and advance :-

Particulars	As at 31st March 2026		As at 31st March 2025	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties	Nil	Nil	Nil	Nil

Other financial assets	NOTE 8		
Security deposits on Rent at Amortised cost	3,885.73	5,754.32	
Fair Value of Security Deposit on Rent Ind AS	2,430.58	-	
Security Deposit (Others)	285.92	-	
TOTAL	6,602.23	5,754.32	
Deferred tax assets (net)	NOTE 9		
At start of the year	15,229.61	19,733.34	
Credit/ (charge) to statement of profit and loss	(299.90)	(4,549.72)	
Credit/ (charge) to other comprehensive income	(97.00)	46.00	
At end of the year	14,832.71	15,229.62	

Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

Timing difference on accounts of :-	For the year ended on 31st March 2026			
	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipment	2,946.99	588.23	-	3,535.22
Others	12,282.63	(888.13)	(97.00)	11,297.49
Total	15,229.62	(299.90)	(97.00)	14,832.71

Timing difference on accounts of :-	For the year ended on 31st March 2025			
	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipments	2,151.86	795.13	-	2,946.99
Others	17,581.52	(5,344.89)	46.00	12,282.63
Total	19,733.38	(4,549.76)	46.00	15,229.62

Cash on hand (as certified)	17,573.65	53,474.55
<u>Balances with banks</u>		
- In current account	2,62,818.21	67,380.37
- Cheques in hand	1,450.00	-
<u>In Other Deposit Accounts</u>		
- In fixed deposits (maturities less than 3 months)	2,90,000.00	-

TOTAL	5,71,841.86	1,20,854.92
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Bank balance other than cash and cash equivalents

- In fixed deposits (maturities upto 3 months)	25,550.88	-
- In fixed deposits (maturities more than 3 months)	375.00	39,387.50

TOTAL	25,925.88	39,387.50
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Loans

<u>(A) Loans</u>		
Term loans		
Housing loans	2,57,866.00	2,77,256.00
Loan against property	-	-
Loan against gold jewellery	43,50,781.00	21,05,211.00

TOTAL GROSS (A)	46,08,647.00	23,82,467.00
Less: impairment loss allowance (expected credit loss)	11,811.00	9,387.00
TOTAL NET (A)	45,96,836.00	23,73,080.00

(B) (i) Secured by tangible assets	46,08,647.00	23,82,467.00
(ii) Secured by intangible assets	-	-
(ii) Unsecured	-	-

TOTAL GROSS (B)	46,08,647.00	23,82,467.00
Less: Impairment loss allowance (expected credit loss)	11,811.00	9,387.00
TOTAL NET (B) (II)	45,96,836.00	23,73,080.00

(C) (I) Loans in india	46,08,647.00	23,82,467.00
(i) Public sector	-	-
(ii) Others	46,08,647.00	23,82,467.00

TOTAL GROSS (c) (I)	46,08,647.00	23,82,467.00
Less: impairment loss allowance (expected credit loss)	11,811.00	9,387.00
TOTAL NET (c) (I)	45,96,836.00	23,73,080.00

(II) Loans outside india	-	-
Less: Impairment loss allowance (expected credit loss)	-	-
TOTAL NET (c) (II)	-	-

TOTAL NET (c) (I) and (II)	45,96,836.00	23,73,080.00
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Other financial assets

Accrued interest on FDR	3,051.86	4,371.08
Accrued interest on Others	106.21	174.68
Cash collateral	456.29	2,062.66
Others	5,345.41	8,850.00

TOTAL	8,959.77	15,458.42
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Current Tax assets (Net)

Advance Tax and TDS	2,934.41	3,157.89
Less :Provision for income tax	-	(138.53)

Total	2,934.41	3,019.36
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Other Current Asset

Recoverable form Revenue Authority	1,136.06	954.59
Prepaid expenses	3,051.38	2,799.00
Other Receivables	4,160.00	17.37

TOTAL	8,347.44	3,770.96
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Equity share capital

Authorized shares

Equity shares of ₹ 10 each with voting rights

Issued, subscribed and fully paid- up shares

Reconciliation of number of equity shares and amount outstanding

Equity Shares

- At the beginning of the period

- Issued during the year

Total outstanding at the end of the period

Terms and rights attached to equity shares

Note- During the last financial year on 14 February 2025 the company has allotted 42,50,000 equity shares of Rs 10/- each , consequent to conversion of equal number warrants issued during that year on preferential basis, at issue price of Rs 80/- each warrant (including a premium of Rs 70/- each), to promoter and non promoter group pursuant to the exercise of their rights of conversion into equity shares in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation,2018.

The company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian ₹. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

As at 31st March 2026		As at 31st March 2025	
Nos.	(₹ in '000)	Nos.	(₹ in '000)
3,00,00,000	3,00,000	3,00,00,000	3,00,000.00
3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00

As at 31st March 2026		As at 31st March 2025	
Nos.	(₹ in '000)	Nos.	(₹ in '000)
2,91,91,715	2,91,917.15	2,49,41,715	2,49,417.15
		42,50,000.00	42,500.00
2,91,91,715	2,91,917.15	2,91,91,715	2,91,917.15

	As at 31st March 2026		As at 31st March 2025	
	Nos.	% holding	Nos.	% holding
Gopal Bansal LLP (Earlier Fidelo Foods LLP)	45,37,050	15.54%	45,37,050	15.54%
Gopal Bansal	40,44,141	13.85%	40,44,141	13.85%
Ganga Devi Bansal	21,13,000	7.24%	21,13,000	7.24%
Precious Tradeways Private Limited	14,72,061	5.04%	14,12,971	4.84%
Escorp Asset Management Limited	20,00,000	6.85%	20,00,000	6.85%
Radhey Kishan	15,06,217	5.16%	15,06,217	5.16%
Total	1,56,72,469	53.68%	1,56,13,379	53.48%

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

Details of shares held by promoters and promoters group in the company

Promoter Name	31st March 2026		31st March 2025		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
Gopal Bansal	40,44,141	13.85%	40,44,141	13.85%	-
Sunita Bansal	12,95,530	4.44%	12,95,530	4.44%	-
Mukesh Sharma	12,92,540	4.43%	12,92,540	4.43%	-
Manoj Sharma	7,60,665	2.61%	7,60,665	2.61%	-
Gopal Bansal Huf	3,95,000	1.35%	3,95,000	1.35%	-
Ganga Devi Bansal	21,13,000	7.24%	21,13,000	7.24%	-
Gopal Bansal LLP (Earlier Fidelo Foods LLP)	45,37,050	15.54%	45,37,050	15.54%	-
Daisy Distributors Private Limited	10,18,275	3.49%	10,18,275	3.49%	-
Arvind Kumar Bansal	3,75,000	1.28%	3,75,000	1.28%	-
Nidhi Bansal	5,10,861	1.75%	5,00,000	1.71%	0.04%
Total	1,63,42,062	55.98%	1,63,31,201	55.94%	0.04%

There is a change in promoters shareholding during the period ended March 31 2026 and March 31 2025.

Other equity

Statutory Reserves

Special reserve (u/s 45IC of RBI Act, 1934)

Balance as per last balance sheet

Add: Transfer from surplus

Closing balance

NOTE 17	
8,658.32	8,656.13
-	2.19
8,658.32	8,658.32

In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961

Balance as per last financial statements

Add: Transferred during the year

Closing balance

1,16,978.90	80,723.90
43,255.87	36,255.00
1,60,234.77	1,16,978.90

Securities premium

Opening balance

Add/(Less): issue/ (transfer) during the year

Closing balance

4,57,379.25	1,63,006.25
-	2,94,373.00
4,57,379.25	4,57,379.25

Retained earnings

Balance as per last financial statements

Add/(Less): Profit/ (loss) for the year

Less: Adjustment - Prior Period Error

Less: OCI income/ (expense)

Less: Transfer to special reserve u/s 45-IC of RBI Act

Less: Transfer to special reserve u/s 29C of NHB Act, 1987 and Section 36(1)(viii) of Income tax Act, 1961

Net surplus in statement of profit and loss

2,63,510.13	1,82,124.47
1,54,059.95	1,17,613.03
(202.48)	125.68
-	(95.86)
-	(2.19)
(43,255.87)	(36,255.00)
3,74,111.73	2,63,510.13

Equity intruments through other comprehensive income

Opening balance

Add/(Less): Addition/ (deletion) during the year

Closing balance

-	-
-	-
10,00,384.07	8,46,526.60

(i) Nature and purpose of other reserves

General reserve

General reserve is created out of the accumulated profits of the Company as per the provisions of Companies Act.

Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

Other comprehensive income

Other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value through other comprehensive income and gain/(loss) booked on re-measurement of defined benefit plans.

Security Premium

Any premium received on the issue of shares cumulates to this reserve account.

Statutory Reserve

Statutory reserves are the special reserve maintained for the transfer of certain percentage of profits under the specified Statutes.

Debt Securities Non Current

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*	10,85,527.00	-
Secured and fully paid	10,85,527.00	-
(B) Out of Above		
In India	10,85,527.00	-
Outside India	-	-
	10,85,527.00	-

NOTE 18

Secured**At Amortised Cost****Term loans:**

- From banks
- From other non-banking financial institutions
- From national housing bank

Overdraft:

- From banks
- others

5,02,575.00	2,65,408.00
9,88,862.00	5,94,640.00
-	-
-	-
-	-
14,91,437.00	8,60,048.00

Unsecured**At Amortised Cost****Term Loans:**

- From Other Non-Banking Financial Companies

-	2,24,685.00
---	-------------

TOTAL

-	2,24,685.00
---	--------------------

Out of above:

In India

14,91,437.00	10,84,733.00
---------------------	---------------------

Outside India

-	-
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Lease Liability**NOTE 20**

Lease liability*

1,27,075.74	99,309.00
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TOTAL

1,27,075.74	99,309.00
--------------------	------------------

* Disclosure as required by IND AS 116

Particulars	31-03-2026	31-03-2025
Balance as at the beginning of the year	95,493.91	71,227.72
Add:		
Addition during the year	44,574.35	39,970.88
Interest on lease Liability	11,038.00	8,417.45
Less:		
Prior Period Adjustment	(33.00)	-
Lease Rental Payments	(23,997.52)	(20,307.05)
Balance as at the end of the year	1,27,075.74	99,309.00

Maturity Analysis of Lease Liability

Particulars	31-03-2026	31-03-2025
Less than One year	-	84.80
One to five Year	37,167.87	22,834.20
More than five Year	89,907.87	76,390.00
Total	1,27,075.74	99,309.00

Provisions**NOTE 21**

Provision for employee benefits

-Gratuity

7,629.36	5,503.00
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-Leave encashment

1,080.66	945.50
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TOTAL

8,710.02	6,448.50
-----------------	-----------------

Movement of Provisions

Particulars	31-03-2026		31-03-2025	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening net defined benefit liability/(asset)	5,503.37	944.91	3,600.99	587.80
Add: Expense Charged to Profit and Loss account	2,510.03	236.74	1,721.01	481.08
Less: Employer Contribution	-	-	(179.84)	-
Less: OCI Gain	(384.04)	(100.99)	361.21	(123.97)
Total	7,629.36	1,080.66	5,503.37	944.91

NOTE 22

Debt Securities Current
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	3,29,900.00	-
	3,29,900.00	-

(B) Out of Above

In India	3,29,900.00	-
Outside India	-	-
	3,29,900.00	-

Borrowings (other than debt securities)

NOTE 23

Secured

At Amortised Cost

Current Maturities of Term loans:

- From banks	3,98,924.00	1,55,881.00
- From other non-banking financial institutions	5,76,359.00	5,31,013.00
- From national housing bank	-	34,717.00
Overdraft:	-	-
- From banks	-	-
Others	-	-
- Loans from related parties (unsecured)	-	-
- others	-	-
	9,75,283.00	7,21,611.00

Unsecured

At Amortised Cost

Term Loans:

- From Other Non-Banking Financial Companies	-	71,618.00
--	---	-----------

TOTAL

-	71,618.00
---	------------------

Out of above:

In India	9,75,283.00	7,93,229.00
Outside India	-	-

Note 24

Trade Payables

- Total outstanding dues of micro enterprises and small enterprises	489.00	54.00
- Total outstanding dues other than micro enterprises and small enterprises	195.49	47.55
	684.49	101.55

Trade Payables ageing schedule

31-Mar-26

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	<1 yr	1-2 yrs	2-3 yrs	>3 yrs	
MSME	223	266.00	-	-	-	489.00
Others	112.14	77.45	5.90	-	-	195.49
Disputed dues: MSME	-	-	-	-	-	-
Disputed dues: Others	-	-	-	-	-	-

31-Mar-25

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	<1 yr	1-2 yrs	2-3 yrs	>3 yrs	
MSME	54.00	-	-	-	-	54.00
Others	-	47.55	-	-	-	47.55
Disputed dues: MSME	-	-	-	-	-	-
Disputed dues: Others	-	-	-	-	-	-

Lease Liability**NOTE 25**

Lease liability*

1,976.00

-

TOTAL**1,976.00**

-

* Disclosed as required by IND AS 116

Particulars	31-03-2026	31-03-2025
Balance as at the beginning of the year	3,815.00	-
Add:		
Addition during the year	-	-
Interest on lease Liability	269.00	-
Less:		
Derecognised during the year	-	-
Lease Rental Payments	(2,108.00)	-
Balance as at the end of the year	1,976.00	-

Maturity Analysis of Lease Liability

Particulars	31-03-2026	31-03-2025
Less than One year	1,976.00	-
One to five Year	-	-
More than five Year	-	-
Total	1,976.00	-

Other Financial Liabilities**NOTE 26**

Interest Accrued But Not Due on Borrowings
Interest Accrued and Due on Borrowings
Interest Accrued But Not Due on Non-convertible Debentures
Expenses payable
Other Payable

10,133.50
43.00
5,102.09
12,692.18
1,399.87

-
-
-
-
-

TOTAL**29,370.64**

-

Provisions**NOTE 27**

Provision for employee benefits
-Gratuity
-Leave encashment
Provision for Expense

78.56
-
3,273.18

-
-
-

TOTAL**3,351.74**

-

Movement of Provisions

Particulars	31-03-2026		31-03-2025	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening net defined benefit liability/(asset)	-	-	-	-
Add:Expense Charged to Profit and Loss account	78.56	-	-	-
Less: Employer Contribution	-	-	-	-
Less: OCI Gain	-	-	-	-
Total	78.56	-	-	-

Other Current liabilities**NOTE 28**

Payable to government authorities
Advance interest received on loans
Other expenses payable
Statutory Dues Payable
Interest accrued on loan
Other Payables
Service Charges Deferment As Per IND AS
TOTAL
Less:- Intra Company balances

-
-
-
5,482.93
-
-
-

68.93
988.25
12,868.75
4,744.74
8,983.88
457.24
350.00

28,461.79
(480.00)

5,482.93**27,981.79****Current Tax Liabilities (Net)****NOTE 29**

Provision for tax
Less: Advance tax and Tax deducted at source

75,120.67
(56,945.85)

53,388.00
(43,803.00)

Total**18,174.83****9,585.00**

Particular	As at 31 Mar 26	As at 31 Mar 25
Interest income	NOTE 30	
On financial assets measured at amortised cost		
- on loans	7,97,947.94	6,79,555.27
- Interest on deposits with banks	3,822.13	5,879.07
- interest on debentures	-	43.13
TOTAL	8,01,770.07	6,85,477.47
Fees and Commission Income	NOTE 31	
Service charge for corporate guarantee	-	-
Fees and Other charges	39,418.50	21,315.48
TOTAL	39,418.50	21,315.48
Other Operating Revenue	NOTE 32	
Other income from operation	4,896.04	4,717.26
TOTAL	4,896.04	4,717.26
Other income	NOTE 33	
Other interest income	129.92	322.05
Interest Income on Income Tax Refund	4.67	5,122.35
Impairment income	-	10.29
Advertisement Income	1,467.00	285.00
Recovery of Previously sundry balances written off	3,750.00	-
Unwinding of interest income on security deposit (IND AS)	363.05	-
Rental Income	600.00	-
Gain on Investment	3,425.00	-
Other income	4,947.24	1,982.71
TOTAL	14,686.88	7,722.40
Finance cost	NOTE 34	
<u>On financial liabilities measured at amortised cost:</u>		
- Interest on borrowings	3,19,241.71	2,42,764.47
<u>On financial liabilities measured at fair value through amortised cost:</u>		
- Interest on lease liability	11,307.85	8,417.45
Amortisation of Fair value adjustment of Security Deposit	490.14	-
Bank Charges	931.76	2,826.00
Other Borrowing Cost	-	2,994.00
TOTAL	3,31,971.46	2,57,001.93
Impairment on financial instruments	NOTE 35	
On Financials Instruments measured at amortised cost		
- Loans	5,191.60	-
TOTAL	5,191.60	-
Employee benefit expenses	NOTE 36	
Salaries and allowances	1,27,875.90	1,17,975.98
Employer contribution to ESIC	523.16	568.37
Employer contribution to PF	4,412.90	3,493.02
Staff welfare expenses	1,455.62	1,645.68
Trainee Expenses	-	57.34
Bonus and other incentives	13,553.46	10,612.12
Retirement Benefits	2,588.59	1,900.85
TOTAL	1,50,409.63	1,36,253.36

Other expenses

	NOTE 37	
Advertisement expenses	1,210.07	1,976.98
Bad Debts written off	369.66	356.26
BSE Listing Fees	325.00	-
Business Development	937.84	72.00
Commission expense	-	47.00
Communication expenses	496.63	580.00
Conveyance expenses	3,002.43	4,270.44
Document handling & storage and related expense	1,134.71	2,017.00
- for corporate social responsibility	3,081.00	1,547.00
Fees & subscription	4,028.55	3,978.95
Less: Inter branch transaction	(350.00)	(850.00)
GST reversal u/s 42	61.33	122.60
Interest and penalties on statutory dues	-	1,689.29
Insurance expense	4,607.48	3,597.00
Legal & professional charges	4,295.38	14,612.80
Other expenses	4,941.39	9,254.32
<u>Payment to statutory auditors</u>		
- towards audit fees	350.50	310.00
- towards certification and consultancy	25.00	25.00
- towards tax audit	55.00	55.00
Power & Fuel	2,710.88	-
Postage, stamp & couriers	-	315.00
Printing and stationery	803.00	1,131.71
Rent, rates and taxes	6,657.36	5,520.00
Sitting fee	-	272.50
Software expense	7,467.24	4,411.00
Server maintenance charges	-	1,979.00
Tour and traveling expenses	-	680.96
Vehicle running and maintenance expenses	2,180.42	2,336.00
Miscellaneous expenses	34.64	-
TOTAL	48,425.52	60,307.81

Income tax

Tax expense comprises of:

	NOTE 38	
Current tax	75,120.67	53,527.00
Earlier years tax adjustments (net)	1,765.06	455.23
Deferred tax charge	301.39	4,549.72
Deferred tax reverse through OCI	(97.00)	46.00
Income tax expense reported in the statement of profit and loss	77,090.12	58,577.95

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax

At India's statutory income tax rate of 25.168%

2,93,845.49	2,39,818.80
73,955.03	60,357.60

Tax effect of amounts which are not deductible (taxable) in calculating taxable

Tax impact of expenses which will never be allowed

Earlier years tax adjustments (net)

Others

Income tax expense

-	-
455.23	455.23
2,679.86	(2,234.88)
77,090.11	58,577.95

Earning Per Shares: (in ₹)**Profit for the year (₹)**

Amount available for equity shareholders (₹)

Total number of Equity shares outstanding at the beginning of the year

Total number of Equity shares outstanding at the end of the year

Weighted average number of equity shares

Earning per share - Basic and diluted (₹)

Face value per equity share (₹)

NOTE 39	
21,66,58,367.30	18,12,86,846.77
21,66,58,367.30	18,12,86,846.77
2,91,91,715.00	2,49,41,715.00
2,91,91,715.00	2,91,91,715.00
2,91,91,715.00	2,54,65,687.60
7.42	7.12
10.00	10.00

1 Corporate Information**NOTE 1**

India Finsec Limited was incorporated on 10th day of August 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Core Investment Company(Unregistered CIC) in India. The company has Regn No./SEBI Listed Scrip code INE474001010.

2 Basis for preparation of Consolidation Financial Statements:**NOTE 2****(i) Compliance with Ind AS**

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

(ii) Basis of measurement/ Use of estimate

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

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

(iii) New Standards/ Amendments and Other Changes adopted Effective 1 April 2025 or thereafter

The company has adopted new accounting standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time.

(iv) Recent Accounting Pronouncements: During the year new standard or modifications in existing standards have been notified which will be applicable from 1 April 25 or thereafter.

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

In May 2025, Ind AS 21 Amendments – Currency 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.

2. 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.

3. 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.

4. 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.

(v) Functional and presentation currency

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

3 Principles of Consolidation

NOTE 3

The consolidated financial statements comprise of the holding company India Finsec Limited and its subsidiary in accordance with the requirements of Ind AS 110- Consolidated Financial Statements. The consolidated financial statements have been prepared on the following bases: -

- 3.1 The financial statements of the holding Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- 3.2 Profits or losses resulting from intra-group transactions that are recognized in assets, such as Commission income are eliminated in full.
- 3.3 Goodwill represents the difference between the Company's share in the net worth of subsidiary and the cost of acquisition at each point of time of making the investment in the subsidiary.
- 3.4 The financial statements of the subsidiary company used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2026
- 3.5 The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- 3.6 The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- 3.7 The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated statement of profit & loss being the profit or loss on disposal of investment in subsidiary.
- 3.8 Non-Controlling Interest's share of profit / loss of consolidated subsidiary for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- 3.9 Non-Controlling Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet.

Changes in a parent's ownership interest after control is obtained that do not result in a change in control of the subsidiary are accounted for as equity transactions. The carrying amount of the non-controlling interest is adjusted to reflect the change in the non-controlling interest's ownership interest in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized in equity and attributed to the parent's equity holders.

4 Material Accounting policy

NOTE 4

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

(4.a) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

(4.b) Financial Instruments:

(4.b.i) Financial Assets

Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees earned on disbursement of loan assets have been recognized in revenue over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement: -

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

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

De- Recognition of financial Assets: -

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

(4.b.ii) Financial Liabilities : -

Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees paid on borrowed loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement: -

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

De-recognition of financial liabilities

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

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

(4.b.iii) Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)

All equity investments in entities are measured (except equity investment in joint venture and subsidiary) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to

(4.b.iv) Off setting of financial instrument: -

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

(4.b.v) Impairment of Financial Assets: -

Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind-AS 109, the company applies expected credit loss model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive.

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

(4.b.vii) Expected Credit Loss (ECL): -

Financial assets where no significant increase in credit risk has been observed are considered to be in 'Stage 1' and for which a 12-month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'Stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'Stage 3'. Lifetime ECL is recognised for the financial assets categorised under 'Stage 2' and 'Stage 3'.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months. In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('Lifetime ECL'). Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

(4.c) Property plant and equipment (PPE)

Initial recognition and measurement

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

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

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

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

Depreciation

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

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

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

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

Particulars of PPE	Useful life (in years)
Furniture and fixture	10
Vehicles	8
Office equipment	5
Computer	3
Plant and Machinery	15

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

(4.d) Intangible assets and amortisation

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written- down value method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(4.e) Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act.

Asset Category Useful Life	(in years)
Buildings and related equipments	60

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

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

(4.f) Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

As a lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognize lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

Lease Liabilities

At the commencement date of the lease, the Company recognize lease liabilities measured at the present value of lease payments to be made over the contractual lease term, for which enforceable rights is available. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion on interest and reduced for the lease payment made.

Right-of-use

The Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying assets is available for use). Right-of-use are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Perpetual Right of Use assets related to land are not depreciated but tested for impairment loss, if any.

Short-term lease and lease of low-value-assets

The Company applies the short –term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e those leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemptions to lease that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefits.

As a lessor

Rental income from operating lease is recognized on straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefits derived from the assets given on lease.

(4.g) Revenue recognition

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

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

(4.g.ii) Dividend Income: Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

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

a. Fees and commission income:

The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis

Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

(4.h) Expenditures

Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR.

Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

(4.i) Employee benefits

(4.i.i) Short-term employee benefits: -

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(4.i.ii) Post-Employment Benefits:

➤ Defined Contribution Plan

Provident Fund: The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees.

Employee State Insurance: The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees.

➤ Defined Benefit Plans

Gratuity: The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Leave Encashment: The Company has adopted a policy on compensated absences which are non-accumulating in nature. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(4.j) Taxations

Provision for current tax is made as per the provision of the Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax return with respect to applicable tax regulations which are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the Balance Sheet method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured based on tax rates (and tax law) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

(4.k) Earning Per Share

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

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

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

(4.I) Provision, contingent liabilities and contingent assets

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

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

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

5 Major Estimates and Judgements made in preparing Consolidated Financial Statements

NOTE 5

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

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

(5.a) JUDGEMENTS

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

Materiality

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

Provisions and contingencies

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

(5.b) MAJOR ESTIMATES

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Useful life of property, plant and equipment and intangible assets

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

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

Notes to Consolidated financial statements for the year ended 31 March 2026

Disclosures as per IndAS 19 "Employee Benefit"

NOTE 40

(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. 4,412.90 thousands (March 31, 2025: Rs. 3,493.02 thousands) 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. 523.16 thousands (March 31, 2025: Rs. 568.37 thousands) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan

Gratuity (unfunded): The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan of the Holding Company.

Net Liability/(assets) recognised in the Balance Sheet:

(₹ in 000's)

Particular	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the end	486.05	NA

Net benefit expense recognised in Statement of Profit and Loss

Particular	As at March 31, 2026	As at March 31, 2025
Service Cost	486.05	NA
Net Interest Cost	-	NA
Total expense recognised in the employee benefit expense	486.05	NA

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

Particular	As at March 31, 2026	As at March 31, 2025
Present value of obligation as at the beginning of the year	-	NA
Service cost	486.05	NA
Net Interest Cost	-	NA
Re-measurements	-	NA
Benefit paid	-	NA
Liability Transferred In / (Out) – Net	-	NA
Contribution paid to fund	-	NA
Present value of obligation as at the end of the year	486.05	NA

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	6.80% per annum	NA
ii) Future salary increase	5.00% per annum	NA
iii) Withdrawal Rate	Not Applicable	NA
iv) Mortality Rate	17.50 Years	NA

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 of the Subsidiary Company.

Net Liability/(assets) recognised in the Balance Sheet:

(₹ in 000's)

Particular	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the end	7,221.87	5,503.37

Net benefit expense recognised in Statement of Profit and Loss

Particular	As at March 31, 2026	As at March 31, 2025
Service Cost	1,742.07	1,462.46
Net Interest Cost	360.47	258.55
Total expense recognised in the employee benefit expense	2,102.54	1,721.01

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

Particular	As at March 31, 2026	As at March 31, 2025
Present value of obligation as at the beginning of the year	5,503.38	3,601.00
Service cost	1,742.07	1,462.46
Net Interest Cost	360.47	258.55
Re-measurements	(384.04)	361.21
Benefit paid	-	(179.84)
Liability Transferred In / (Out) – Net	-	-
Contribution paid to fund	-	-
Present value of obligation as at the end of the year	7,221.88	5,503.38

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	100.00%	100.00%

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

Leave Encashment: The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 10.81 Lakhs.

Expense recognised in the Balance Sheet

(₹ in 000's)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Employer Expense	237.00	481.00

Balance Sheet Position as on valuation date

(₹ in 000's)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Asset/(Liability) recognised in balance sheet	(1,080.66)	(944.90)

Corporate Social Responsibility Expense (CSR)

NOTE 41

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

(₹ in 000's)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
For Corporate Social Responsibility	3,081.00	1,547.10
Total	3,081.00	1,547.10

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Gross amount required to be spent by the Company during the year	3,080.00	1,844.00
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	-	300.00
d) Amount of Expenditure incurred during the year	3,081.00	1,547.10
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	1.00	(3.10)
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown	Nil	Nil

NOTE 42

Related parties :-

As per Ind AS 24, the disclosures of transactions with the related parties are given below: -

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

(i)	Subsidiary Company	M/s. IFL Finance Limited (Subsidiary)
(ii)	Key Management Personnel	Gopal Bansal (Managing Director)
		Manoj Kumar Gupta (CFO)
		Rahul (Company Secretary)(Resigned on 4th April 2026)
(iii)	Relatives of Key Management Personnel	Ganga Devi Bansal(Mother of Managing Director)
		Sunita Bansal(Wife of Managing Director)
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Daisy Distributors
		Goapl Bansal LLP (Earlier Fidelo Foods LLP)

(b) Transactions made with the "Related parties" during the year: -

(₹ in 000's)

S.No.	Transaction with	Nature of transaction	Transaction during the year	
			March 31 2026	March 31 2025
(i)	Key Management Personnel: -			
	Mr. Gopal Bansal	Loan taken	-	
		Loan repaid	-	
		Interest paid	-	
		Loan given	-	9,500.00
		Loan received back	-	9,500.00
	Mr. Manoj Kumar Gupta	Remuneration	1,500.00	1,289.40
	Mr. Rahul	Remuneration	611.36	94.98
(ii)	Relatives of Key Management Personnel: -			
	Mrs Ganga Devi	Issue of shares	-	30,000.00

(c) Closing balances with "Related parties" at the end of the year: -

(₹ in 000's)

S.No.	Transaction with	Description	Balance as at	
			March 31 2026	March 31 2025
(i)	<u>Key Management Personnel:</u> -			
	Mr. Mukesh Sharma	Sitting fees	-	-
	Ms. Himansi Kashyap	Sitting fees	-	-
	Mr. Manoj Kumar Gupta	Remuneration	116.88	107.45
(ii)	<u>Relatives of Key Management Personnel:</u> - None			
(iii)	Enterprises owned or significantly influenced by Key Management Personnel or their Relatives : - None			

NOTE 43

Financial instruments

Fair values hierarchy

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial instruments by category

Categories of Financial Instruments and its fair value measurement

(₹ in 000's)

Particulars	March 31 2026			March 31 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investment in Debentures	-	-	14,15,427.00	-	-	-
Investment in Mutual Fund	-	-	-	-	-	-
Investment in quoted equity instruments	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Loans	-	-	51,07,514.00	-	-	32,98,160.00
Cash and cash equivalents	-	-	5,71,841.86	-	-	1,20,854.92
Other bank balances	-	-	25,925.88	-	-	39,387.50
Other financial assets	-	-	15,562.00	-	-	21,212.74
Total financial assets	-	-	71,36,270.73	-	-	34,79,615.16
Financial liabilities						
Borrowings	-	-	24,66,720.00	-	-	18,77,962.00
Trade payables	-	-	684.49	-	-	-
Other financial liabilities	-	-	29,370.64	-	-	27,026.16
Lease Liability	-	-	1,29,051.74	-	-	99,309.00
Total financial liabilities	-	-	26,25,826.88	-	-	20,04,297.16

(i) M/s. IFL Finance Limited (Subsidiary)

Investment in subsidiary is measured at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments: Measurement". The same have been excluded from the above table.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	March 31 2026		March 31 2025	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Loans	Level 3	51,07,514.00	51,07,514.00	32,98,160.00	32,98,160.00
Other financial assets	Level 3	15,562.00	15,562.00	21,212.74	21,212.74
Total financial assets		51,23,076.00	51,23,076.00	33,19,372.74	33,19,372.74
Financial liabilities					
Borrowings	Level 3	24,66,720.00	24,66,720.00	18,77,962.00	18,77,962.00
Other financial liabilities	Level 3	29,370.64	29,370.64	27,026.16	27,026.16
Trade Payables	Level 3	684.49	684.49	-	-
Lease liability	Level 3	1,29,051.74	1,29,051.74	99,309.00	99,309.00
Total financial liabilities		26,25,826.88	26,25,826.88	20,04,297.16	20,04,297.16

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following subsidiary company is considered in the Consolidated financial statements:-

NOTE 44

S.No.	Name of Subsidiary	Country of incorporation	% of Equity holding either directly or through subsidiary	
			As at 31st March 2026	As at 31st March 2025
(i)	Subsidiary			
	M/s. IFL Finance Limited	India	71.01%	71.01%

NOTE 45

Additional information pursuant to the requirements of Schedule-III of the Companies Act, 2013 in Consolidated Financial Statements is as under:-

Name of the entity in the group	Net Assets		Share in Profit and Loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	Amount (Rs. In "000")	As a % of consolidated profit and loss	Amount (Rs. In "000")	As a % of consolidated other comprehensive income	Amount (Rs. In "000")	As a % of consolidated Total comprehensive Income	Amount (Rs. In "000")
Parent								
India Finsec Limited	0.65%	11,944.67	0.17%	376.94	-	-	0.17%	376.94
Subsidiary								
IFL Finance Limited	99.35%	18,13,796.89	99.83%	2,16,281.43	100.00%	288.00	99.83%	2,16,569.43
Total	100.00%	18,25,741.57	100.00%	2,16,658.37	100.00%	288.00	100.00%	2,16,946.37

Contingent Liabilities:

NOTE 46

(₹ in 000's)

S.No.	Particular	For the year ended 31st March 2026	For the year ended 31st March 2025
	Contingent liabilities not provided for: -		
(i)	Guarantees issued to Financial Institutions/ Bankers for loans taken by IFL Finance Limited	4,75,475.00	9,79,794.00
(ii)	Pending litigations by/ against the Company	-	-
	Total	4,75,475.00	9,79,794.00

*Sanction amount of outstanding loan as on 31st March 2026 is Rs. 15,55,000 (PY Rs. 21,15,000)

FINANCIAL RISK MANAGEMENT

NOTE 47

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, loans, Investments, trade receivables, other financial assets.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables, Loans and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

The Company provides for expected credit loss based on the following:

	Basis of categorisation	Provision for expected credit loss
Low	Cash and cash equivalents, investments, other bank balances, loans, trade receivables other financial assets	Life time expected credit loss or 12 month expected credit loss
Medium	Trade receivables and other financial asset	Life time expected credit loss or 12 month expected credit loss
High	Trade receivables and other financial asset	Life time expected credit loss fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit rating	March 31 2026	31 March 2025
A: Low	-	-
B: Medium	-	-
C: High	-	-

Concentration of trade receivables, Loans

The Company's exposure to credit risk for trade receivables is Nil. Loans majorly represents loans provided to Individuals.

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2026

Particulars	Estimated gross	Expected credit	Carrying amount
Cash and cash equivalents	5,71,841.86	-	5,71,841.86
Investment	-	-	-
Other bank balances	25,925.88	-	25,925.88
Loans	51,32,373.00	(24,859.00)	51,07,514.00
Other financial assets	15,562.00	-	15,562.00

As at 31 March 2025

Particulars	Estimated gross	Expected credit	Carrying amount
Cash and cash equivalents	1,20,854.92	-	1,20,854.92
Investment	-	-	-
Other bank balances	39,387.50	-	39,387.50
Loans	33,17,827.00	(19,667.00)	32,98,160.00
Other financial assets	21,212.74	-	21,212.74

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Loans	Other financial asset
Loss allowance as on 31 March 2024	19,782.29	-
Impairment loss recognised/reversed during the year	(115.29)	-
Amounts written off	-	-
Loss allowance on 31 March 2025	19,667.00	-
Impairment loss recognised/reversed during the year	5,191.60	-
Amounts written off	-	-
Loss allowance on 31 March 2026	24,859.00	-

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2026	Less than 1 year	More than 1 year	Total
Non-derivatives			
Debt Securities	3,29,900.00	10,85,527.00	14,15,427.00
Borrowings	9,75,283.00	14,91,437.00	24,66,720.00
Lease liability	1,976.00	1,27,075.74	1,29,051.74
Trade Payables	684.49	-	684.49
Other financial liabilities	29,370.64	-	29,370.64
Derivatives			
Derivative liability	-	-	-
Total	13,37,214.14	27,04,039.74	40,41,253.88

31 March 2025	Less than 1 year	More than 1 year	Total
Non-derivatives			
Borrowings	7,93,228.79	10,84,733.21	18,77,962.00
Lease liability	84.80	99,224.20	99,309.00
Other financial liabilities	27,026.16	-	27,026.16
Derivatives			
Derivative liability	-	-	-
Total	8,20,339.75	11,83,957.41	20,04,297.16

Interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2026	31 March 2025
Variable rate borrowing	24,66,720.00	18,77,962.00
Fixed rate borrowing	-	-
Total borrowings	24,66,720.00	18,77,962.00

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2026	31 March 2025
Interest rates – increase by 50 basis points	3,18,946.90	2,42,820.49
Interest rates – decrease by 50 basis points	(3,18,946.90)	(2,42,820.49)

NOTE 48

Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios -

Particulars	31 March 2026	31 March 2025
Net debt*	33,25,583.74	18,86,945.88
Total equity	12,92,301.22	11,38,443.75
Net debt to equity ratio	2.57	1.66

*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

Revenue recognised in relation to contract liabilities**NOTE 49**

Ind AS 115 requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarised below:

Description	31 March 2026	31 March 2025
Contract liabilities at the beginning of the year	-	-
Less: performance obligations satisfied in current year	-	-
Add: advance received during the year.	-	-
Contract liabilities at the end of the year	-	-

Disaggregation of revenue

Revenue arises mainly from the Interest income on loans and commission income.

Description	31 March 2026	31 March 2025
Interest Income	8,01,770.07	6,85,477.47
Dividend Income	-	-
Net gain on fair value changes	-	-
Other Operating Revenue	-	-
Fees & Commission Income	39,418.50	21,315.48
Income from Sale of Shares	4,896.04	4,717.26
	8,46,084.60	7,11,510.21

Geographical markets	31 March 2026	31 March 2025
India	8,46,084.60	7,11,510.21
Others	-	-
	8,46,084.60	7,11,510.21

Reconcile the amount of revenue recognised in the statement of profit and loss with the contracted price

Description	31 March 2026	31 March 2025
Revenue recognised during the year	8,46,084.60	7,11,510.21
Less: Discount, rebates, credits etc.	-	-
Add/Less: Any adjustment during the year	-	-
Revenue as per the contract	8,46,084.60	7,11,510.21

Timing of Revenue recognition:

Description	31 March 2026	31 March 2025
Revenue recognised at point in time		
Interest Income, Sale of securities	8,45,584.60	7,11,010.21
Revenue recognised over time		
commission income	500.00	500.00
	8,46,084.60	7,11,510.21

NOTE 50

On 15-04-2025 the holding company has intimated to stock exchange vide board resolution dated 15-04-2025 that the company has decided to surrender the NBFC-ICC certificate of Registration in order to facilitate the conversion of the IFL Finance Limited, subsidiary of India Finsec Limited from HFC to NBFC-ICC. The Company will act as an unregistered Core Investment Company (CIC) and the subsidiary company will act as a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC), as the holding Company meets the eligibility criteria to operate as a unregistered Core Investment Company (CIC). Therefore the financial statement for the year ended March 31,2026 were prepared in Division II of Schedule III of the Companies Act 2013, Previous year figure has been regrouped accordingly to make it comparable.

b) The subsidiary company has changed its name from IFL Housing Finance Limited to IFL Finance Limited as required by Reserve Bank of India (RBI). A new Certificate of Incorporation reflecting the updated name was issued on 8th April 2025. Additionally, the original Certificate of Registration (CoR) as a Housing Finance Company, issued in the name of IFL Housing Finance Limited, was submitted to the RBI Delhi Office on 9th April 2025 for the issuance of a new CoR under the Company's revised classification as NBFC-ICC.

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 wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

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

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

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

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

(vi) Utilization of borrowed funds and share premium

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

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

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

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

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

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

(vii) Undisclosed income

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

(viii) Details of crypto currency or virtual currency

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

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

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

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

The Company does not have any immovable property.

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

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period. Corporate Guarantee given by the company to subsidiary company is not liable for charge registration.

Ratio Analysis and its components

NOTE 52

S.No.	Particulars	31st March 2026	31st March 2025	% change from March 31, 2025 to March 31, 2026
1	Capital to risk -weighted asset ratio (CRAR)	0.34	0.26	31.82%
2	Tier I CRAR	0.34	0.22	49.88%
3	Tier II CRAR	0.00	0.03	-92.19%
4	Liquidity Coverage Ratio	The company inflows are more than outflow in the next 30 days, thus not applicable.		0.00%

Components of Ratio

S.No.	Ratios	Numerator	Denominator	March 31st 2026		March 31st 2025	
				Numerator	Denominator	Numerator	Denominator
1	Capital to risk -weighted asset ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted Assets	18,04,437.35	53,11,509.02	14,34,679.14	55,66,894.12
2	Tier I CRAR	Tier I	Risk weighted asset	17,90,848.00	53,11,509.02	12,52,288.13	55,66,894.12
3	Tier II CRAR	Tier II	Risk weighted asset	13,589.35	53,11,509.02	1,82,391.02	55,66,894.12
4	Liquidity Coverage Ratio	HQLA	Net cash flow	-	-	-	-

Reasons for variance of more than 25% in above ratios

(i)	Capital to risk -weighted asset ratio (CRAR)	Due to increase in risk weighted assets (Increase in AUM)
(ii)	Tier I CRAR	Due to increase in risk weighted assets (Increase in AUM)
(iii)	Tier II CRAR	Due to increase in risk weighted assets (Increase in AUM) and decrease in unsecured loan value in Tier II Capital
(iv)	Liquidity Coverage Ratio	NA

Additional Notes of the Subsidiary Company: -

53. 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

(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. 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. 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.	7800.48 15.44 -	12107.18 18.98 -
Total Exposure to Real Estate Sector	7815.92	12126.16

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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	-	-

c. Sectoral exposure

(Amount in Lakhs)

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.

f. Related party disclosure

(Amount in Lakhs)

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	-	-	-	-	-	-	95.83	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

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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

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

(₹ Lakhs)		
	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

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-back 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.

I. 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.

54. 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

Number 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.

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.

INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

55. Credit Default Swaps

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

56. 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	Stage 1	-	-	-	-	-
guarantees, loan	Stage 2	-	-	-	-	-
commitments, etc. which are in		-	-	-	-	-
the scope of Ind AS 109 but not	Stage 3					
covered under current						
Income Recognition, Asset						
Classification and Provisioning						
(IRACP) norms						
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

57. 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	-	

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

(iv) Government Securities			
(v) Others			
6. Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount Net of Provision as at March 31, 2025		
	Secured	Unsecured	Total
1. Related Parties			
(a) 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*

58. The financial statements were approved for issue by the Board of Directors on 14 May 2026.
59. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
60. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
61. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.
62. Figures in brackets indicate negative (-) figures.

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

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

SD/-
CA. Varun Garg
Partner
Membership No. 523588
UDIN : 26523588YQXCJF6959
New Delhi, the 14th day of May, 2026

SD/-
Gopal Bansal
Managing Director
DIN: 01246420

SD/-
Mukesh Sharma
Director
DIN: 00274217

SD/-
Manoj Kumar Gupta
CFO
PAN: AEUPG8308R