

# ANNUAL REPORT

2025-26

**Building Trust.**  
**Creating Value.**  
**Empowering Bharat.**



Trusted  
Financial  
Partner



Pan India  
Presence



Customer  
Centric  
Approach



Sustainable  
Growth

**Credifin Limited**  
( Formerly Known as PHF Leasing Ltd. )

**34**  
Years of  
TRUST &  
COMMITMENT

# Contents

<b>01</b>	Our Vision and Mission .....	1
<b>02</b>	Our Values .....	2
<b>03</b>	Our Presence .....	3
<b>04</b>	Our Lending Partners .....	4
<b>05</b>	Sustainable Development Goals .....	5
<b>06</b>	Environmental Social Governance .....	6
<b>07</b>	Risk Management .....	7
<b>08</b>	Our Collection Mechanism .....	9
<b>09</b>	Our Financing Solutions .....	10
<b>10</b>	Key Financial Highlights .....	12
<b>11</b>	AUM Growth .....	13
<b>12</b>	Product & Statewise Portfolio .....	14
<b>13</b>	Message from Executive Director .....	16
<b>14</b>	Message from Managing Director .....	17
<b>15</b>	Knowing the Board and Senior Management .....	20
<b>16</b>	Corporate Information .....	27
<b>17</b>	Board Committees .....	28
<b>18</b>	Board Report .....	32
<b>19</b>	Management Discussion and Analysis Report .....	107
<b>20</b>	Corporate Governance Report .....	128
<b>21</b>	Financial Statements .....	169
<b>22</b>	Annual General Meeting Notice .....	224

# OUR VISION

We endeavour to Transform finance through the integration of cutting-edge technology, innovative practices and creating a sustainable and inclusive system that evolves with our customers' needs. We ensure excellence, transparency, and customer satisfaction to uplift underprivileged communities and enable financial success, and committed to fostering employee satisfaction and growth by providing opportunities and supportive environment.

# OUR MISSION

At Credifin we are transforming finance and building an inclusive and sustainable financial system. With a focus on technology, innovation, and customer-centricity, we aim to pioneer change, uplift communities, and foster excellence.



**01.**  
Transforming finance through technology and innovation.



**02.**  
Building an inclusive and sustainable financial system.



**03.**  
Evolving with customers and fostering employee satisfaction.

# OUR VALUES

Our values define who we are and guide everything we do.

## 01 ACTIVATING LEADERSHIP

Empowering people to take initiative and lead by example.

## 02 STRIVING FOR EXCELLENCE

Pursuing the highest standards and continuous improvement.

## 08 PRACTICING PUNCTUALITY

Respecting time and honouring our commitments.

## 03 ENJOYING PARTICIPATION

Encouraging collaboration and valuing every voice.

## 07 LIVING DIVERSITY

Embracing differences and fostering an inclusive culture.

## 04 CUSTOMER CENTRICITY

Placing our customers at the heart of every decision.

## 06 DEMONSTRATING INTEGRITY

Upholding honesty, transparency and ethical conduct in all we do.

## 05 ACTING SUSTAINABLY

Building a better tomorrow through responsible actions.



**REGISTERED OFFICE**

- Jalandhar (Punjab)

**CORPORATE OFFICE**

- Delhi (NCR)



**UPCOMING LOCATIONS**

- Telangana
- Karnataka
- Andhra Pradesh

**LIVE LOCATIONS**

- Bihar
- Chandigarh
- Chhattisgarh
- Gujarat
- Haryana
- Himachal Pradesh
- Jammu & Kashmir
- Maharashtra
- Madhya Pradesh
- New Delhi
- Punjab
- Rajasthan
- Uttar Pradesh

**AUM**

**Rs. 423.51 Cr.**

**HAPPY CLIENTS**

**52,500+**

**TEAM MEMBERS**

**770+**

**DEALERS**

**2500+**

**ACTIVE LOCATIONS**

**200+**

*Diversified.  
Reliable.  
Enduring.*

A Network of Trust: **Lending Partners** Who Back Our Vision

**OUR TRUSTED LENDING PARTNERS**



FUNDING RECEIVED

**248 cr**



LENDERS

**33**



*And More...*

# SUSTAINABLE DEVELOPMENT GOALS (SDGs) ALIGNMENT



**Eradicating Poverty**



**Quality Education**



**Environmental Sustainability**



**Inclusive Community Development**

Committed to creating lasting positive impact by aligning our business with global priorities for a better and more equitable future.



While all SDGs are interconnected and equally important, certain goals are more closely aligned with our business priorities. This section highlights the specific SDGs our organization focuses on and illustrates how they support and integrate with our overall business strategy and objectives.

## 3 GOOD HEALTH AND WELL-BEING



### OBJECTIVE

Ensure healthy lives and promote well-being for all at all ages



### OUR FOCUS

- Employee health and wellness initiatives
- Building a positive work environment
- Enhancing engagement and satisfaction
- Reducing absenteeism



### IMPACT

Improved productivity, stronger workforce engagement, and sustainable organizational success

## 7 AFFORDABLE AND CLEAN ENERGY



### OBJECTIVE

Ensure access to affordable, reliable, sustainable and modern energy for all



### OUR FOCUS

- Adoption of clean energy solutions
- Optimizing energy consumption
- Promoting affordability and efficiency
- Supporting sustainable operations



### IMPACT

Reducing environmental footprint while enhancing operational efficiency and supporting a greener future

## 8 DECENT WORK AND ECONOMIC GROWTH



### OBJECTIVE

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



### OUR FOCUS

- Creating sustainable employment opportunities
- Promote fair and ethical working conditions
- Investing in skill development
- Driving inclusive economic growth



### IMPACT

Empowering individuals while strengthening local economies and fostering long-term prosperity.

# ENVIRONMENTAL SOCIAL GOVERNANCE

**RESPONSIBLE GROWTH,  
LONG-TERM VALUE**

## SUSTAINABILITY OVERVIEW



At Credifin, sustainability is viewed as an integral part of responsible business conduct and long-term value creation. While the Company is not presently subject to mandatory sustainability reporting requirements, it remains committed to incorporating environmental, social and governance (ESG) considerations into its business practices in a manner appropriate to its scale and operations. The Company believes that sustainable growth is driven by responsible lending practices, sound governance standards, employee well-being, and positive community engagement.



## ENVIRONMENTAL STEWARDSHIP

The Company endeavors to promote efficient use of resources across its operations through responsible energy consumption, paper conservation, waste reduction and adoption of digital processes. The Company aims to reduce its carbon emissions and conscious practices among employees and evaluates opportunities to support financing activities that contribute to sustainable development.



## SOCIAL RESPONSIBILITY

Financial inclusion remains an important aspect of the Company's business philosophy. Through its lending and outreach initiatives, the Company seeks to support underserved segments, including individuals and small businesses, as well as to encourage participation and livelihood generation. The Company is committed to fostering a diverse, safe and inclusive workplace and employee well-being.



## GOVERNANCE & ETHICAL CONDUCT

Strong governance practices form the foundation of Credifin's operations. The Company operates under a framework of policies and controls designed to promote ethical conduct, transparency, accountability and regulatory compliance. The Board oversees key governance decisions related to the management of stakeholder interests and compliance. The Code of Conduct, Fair Practices Code and Whistle Blower Policy support responsible business practices.



## LOOKING AHEAD

The Company recognizes the increasing importance of sustainability considerations in the financial services sector and will continue to evaluate opportunities in line with business requirements, stakeholder expectations and evolving regulatory developments. The Company remains committed to pursuing sustainable and inclusive growth while creating long-term value for all stakeholders.

# RISK MANAGEMENT FRAMEWORK

**Proactive. Disciplined. Resilient.  
Building Sustainable Value.**

At Credifin Limited, effective risk management is fundamental to our strategy, governance and long-term value creation. We follow a proactive and disciplined approach to identify, assess, monitor and mitigate risks while supporting sustainable growth and maintaining stakeholder confidence. Our risk governance framework is overseen by the Board of Directors through the Risk Management Committee, supported by senior management and independent assurance functions. The framework is embedded across all business operations and aligns with the Company's risk appetite and applicable regulatory requirements.

## OUR RISK MANAGEMENT FOCUS



### CREDIT RISK

Robust underwriting, portfolio diversification, continuous monitoring and efficient collections.



### LIQUIDITY RISK

Prudent asset-liability management, diversified funding sources and adequate liquidity buffers.



### MARKET RISK

Active monitoring of interest rate movements and funding costs.



### OPERATIONAL RISK

Strong internal controls, process automation, business continuity planning and periodic audits.



### TECHNOLOGY & CYBER RISK

Secure digital infrastructure, information security controls and cyber resilience measures.



### COMPLIANCE RISK

Continuous adherence to RBI, SEBI and other applicable regulatory requirements.



### STRATEGIC & ESG RISK

Focus on sustainable growth, responsible lending, governance excellence and long-term stakeholder value.

## OUR RISK GOVERNANCE MODEL



BOARD OF DIRECTORS



RISK MANAGEMENT COMMITTEE



SENIOR MANAGEMENT



RISK, COMPLIANCE & BUSINESS FUNCTIONS



INTERNAL AUDIT & INDEPENDENT ASSURANCE



## OUR COMMITMENT

By integrating risk management into every aspect of our business, Company continues to strengthen resilience, protect stakeholder interests and pursue sustainable growth while maintaining the highest standards of governance and regulatory compliance.

# Calibrated Lending, Powered by Data & Risk Intelligence

De-Risking Growth: How Credifin Aligns Lending with Risk Appetite



## Geographic Saturation Cap for Product Segments

Credifin maintains a hard cap of 30 e-rickshaw loans per location per month to avoid concentration risk and local portfolio saturation.



## Geographic Exposure Limits

Monthly monitoring of default incidence at PIN code level, Dynamic blacklisting of high-risk PIN codes or branches showing early delinquency signs.



## Dynamic Pricing Based on Risk Score

Interest rate grid calibrated to borrower & product profile. Risk-adjusted interest rate and NIM matrix ensures we are creating enough margin to cover credit cost.



## Centralised Sanctioning at HO

Centralised Control – Decentralised Scale. Uniform Credit Quality Across Locations Enables wide branch/partner reach without compromising underwriting quality.



## Product-Specific Risk Norms

Stricter LTV caps for unsecured or fast-depreciating asset categories, we have defined the Maximum funding amount of every product on an OEM level in vehicle loans.

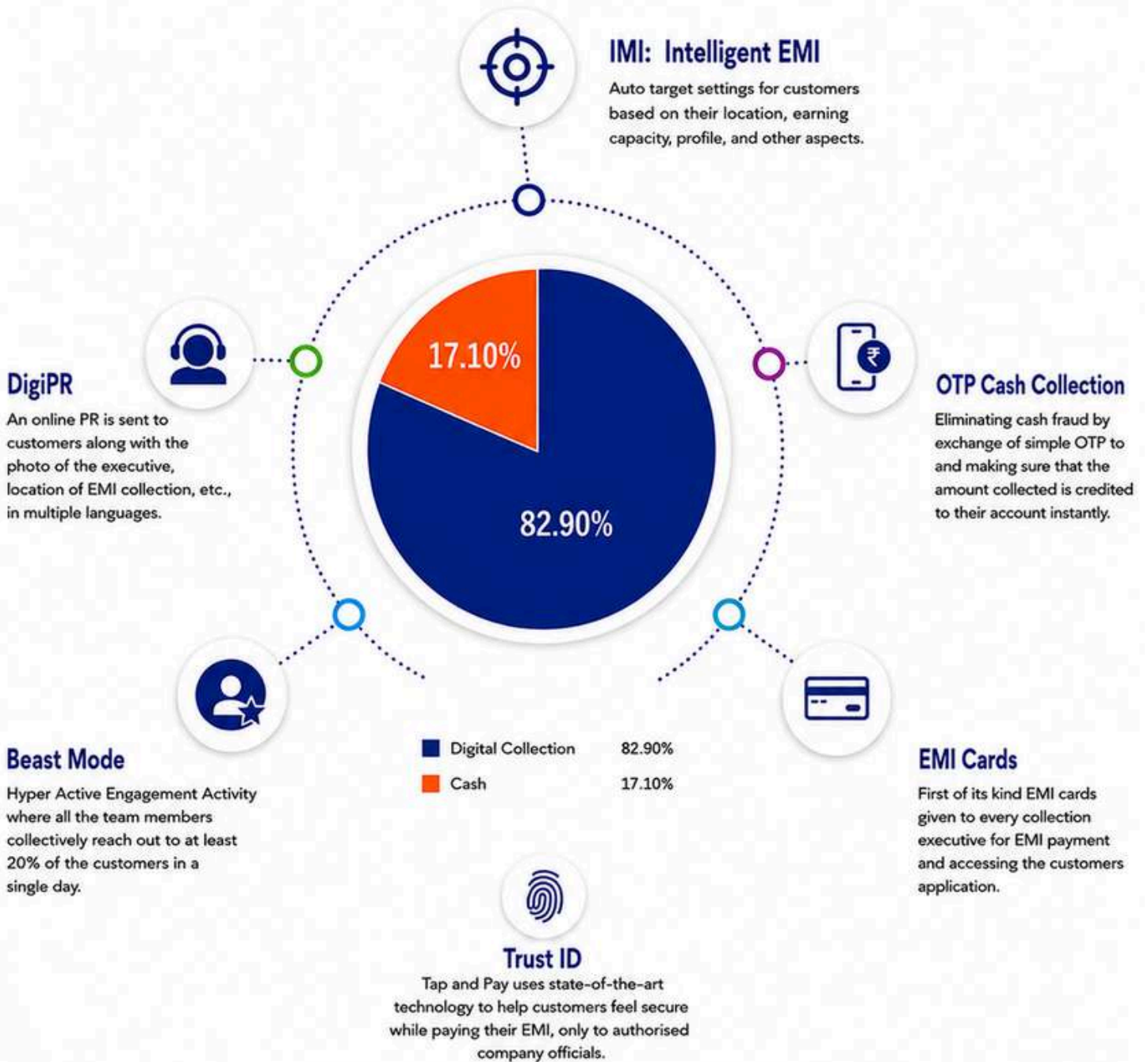


## Audit Trail & MIS Transparency

Open to all Audit Trail, Every approval tagged with user ID, timestamp, and deviation log (if any), Real-time MIS available for internal audit and compliance.

“ Data gives us clarity.  
Risk intelligence gives us confidence.  
Together, they power responsible growth. ”

# Disrupting The Collection Mechanism



# EV FINANCING SOLUTIONS



## E-RICKSHAWS

Drives EV rickshaw for affordable and sustainable transport such as daily income earning.



## E-TWO WHEELERS

Smart financing for electric two-wheelers to empower commuters and growing with every ride.



## E-LOADERS

Powers your cargo ventures to carry more and work harder for maximum business growth.



## E-CHARGING STATIONS

Reliable and high-quality solutions to power e-vehicles for a better, greener tomorrow.



## E-CYCLES

A better and cleaner way for students and individuals to embrace green mobility for short distances.



## EV LOAN

Tailored financing to ensure easy, affordable EV loans because tomorrow is yours with ready financing.

# CORE LENDING SOLUTIONS



## HOME LOAN

Finance your dream home with competitive interest rates, flexible EMIs, and quick approvals.



## BUSINESS LOAN

Get the right financial support to start, grow, or expand your business with ease and confidence.



## LOAN AGAINST PROPERTY

Unlock the true value of your property with flexible repayment options and competitive interest rates.



## TWO WHEELER LOAN

Bring home your favorite two wheeler with quick financing, minimal documentation, and easy EMIs.



## USED CAR LOAN

Own a quality pre-owned car with hassle-free loans, attractive rates, and flexible repayment.



## USED COMMERCIAL VEHICLE LOAN

Power your business with reliable pre-owned commercial vehicles and smart financing solutions.

# BUSINESS GROWTH & KEY FINANCIAL HIGHLIGHTS



AUM

**Rs. 423.51 Cr.**  
(6 yrs. avg.)



Active  
Locations

**200+**



DEALERS

**2500+**



OEM Partners

**100+**



TEAM  
MEMBERS

**770+**



HAPPY  
CLIENTS

**52,500+**



Digital  
Collection

**83%+**



Write-off  
Last 5 Years

**0**

**31.60%**

Capital  
Adequacy Ratio

**30.70%**

Provision  
Coverage Ratio\*

**1.53%**

Net NPA  
(AUM)

**2.21%**

Gross NPA  
(AUM)

**201.97%**

CAGR  
(6 yrs. avg.)

**22.35%**

ROE (Pre-Tax)  
(6 yrs. avg.)

# A DISCIPLINED NBFC, SCALING RESPONSIBLY.



GRANULAR, SECURED, INCOME-GENERATING ASSETS. BUILT ON TRUST.  
FOCUSED ON CONSISTENT GROWTH.

**201.97%**

CAGR (PBT)  
IN 6 YEARS

**₹423 Cr**

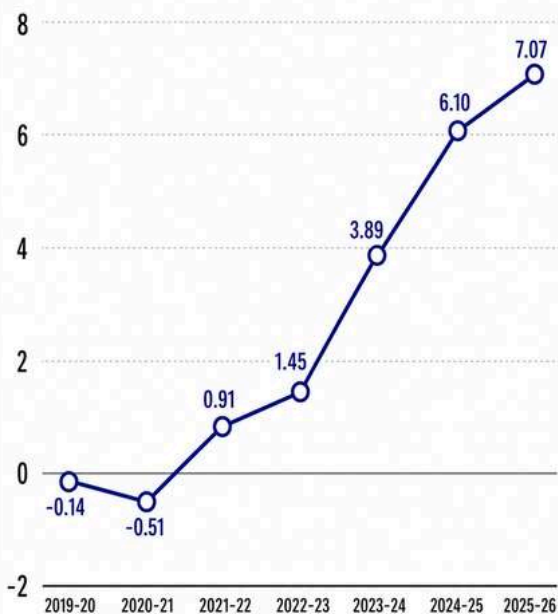
AUM AS OF  
MAR'26

**100%**

SECURED  
PORTFOLIO

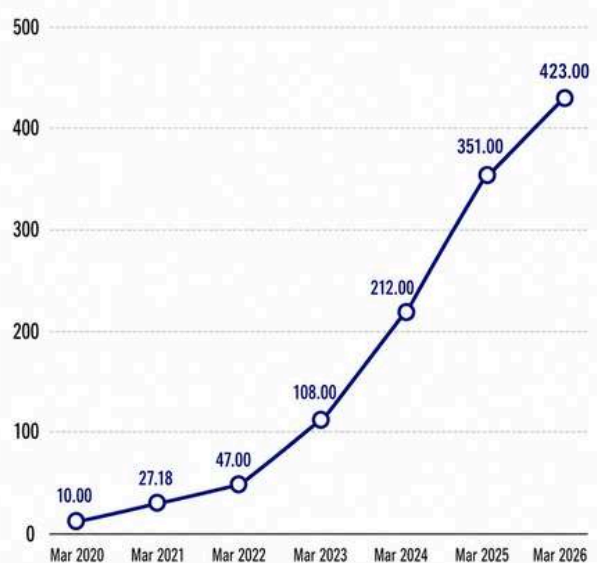
## PROFIT BEFORE TAX (PBT)

₹ Crores



## ASSETS UNDER MANAGEMENT (AUM)

₹ Crores



CRISIL BBB-  
/ Stable



RBI  
Registered



Listed on  
MSE

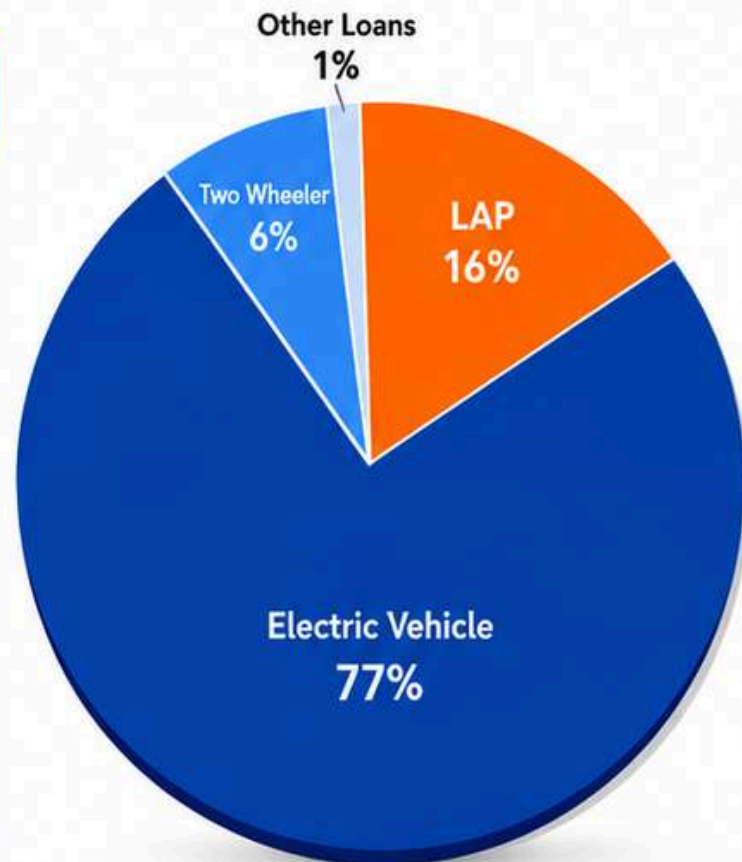





Since  
1992

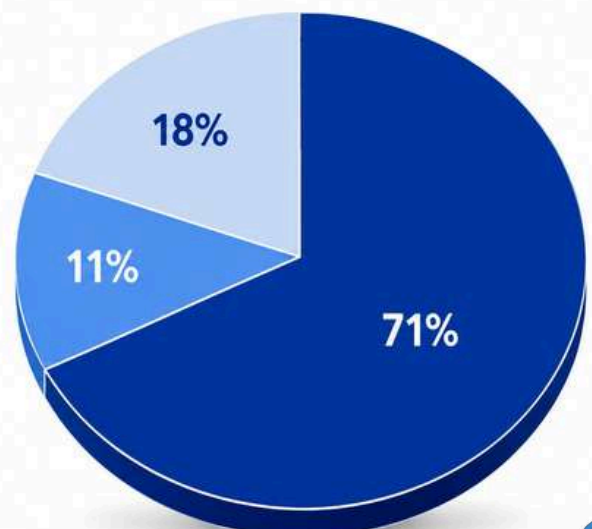
# PRODUCT-WISE PORTFOLIO



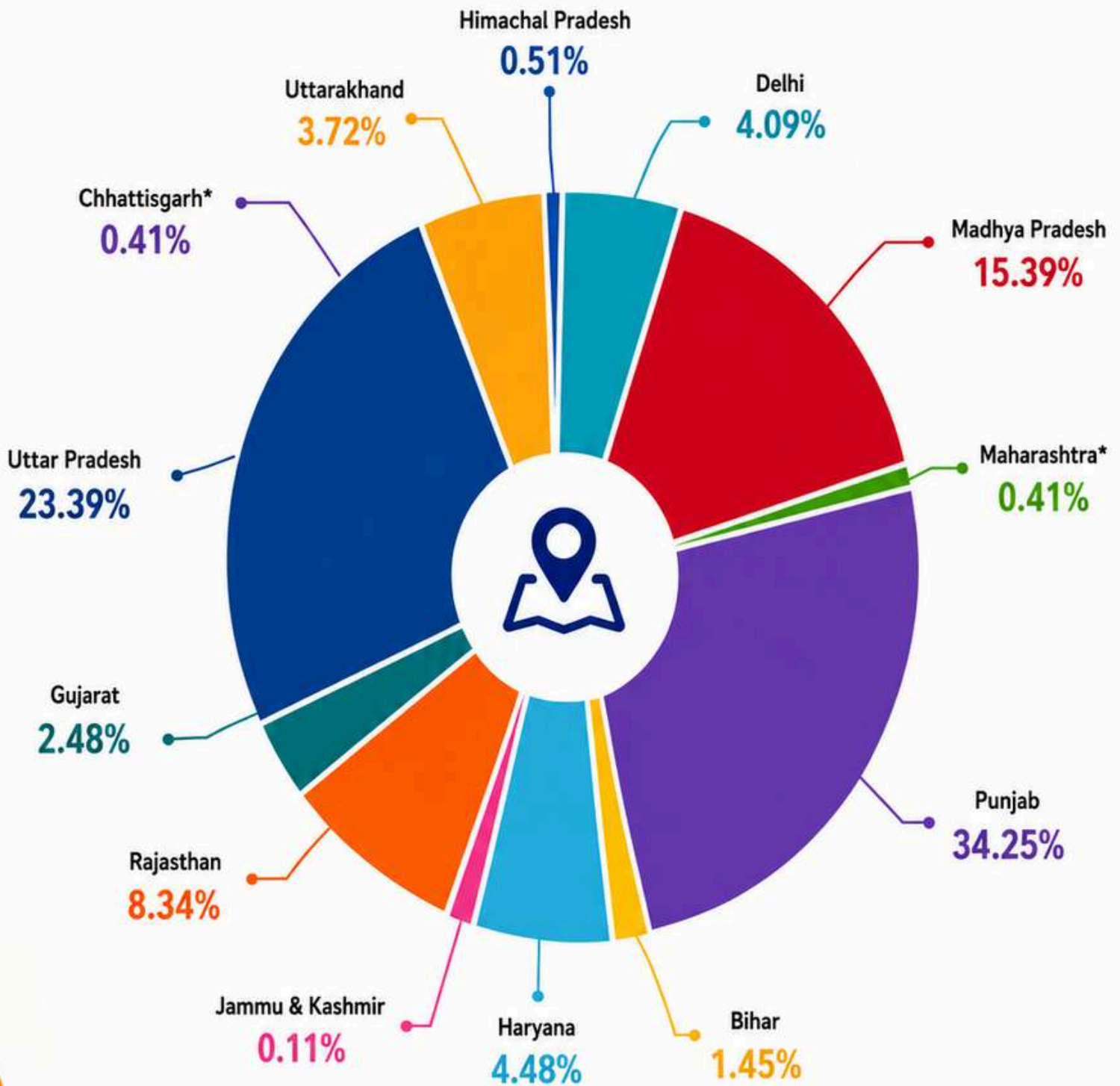
Product	Amount Outstanding As on Date (in Cr.)
 Electric Vehicle	325.83
 Loan Against Property	65.92
 Two- Wheeler Loans	25.72
 Other Vehicle Loans	6.04
<b>Total</b>	<b>423.51</b>



 Own Book	302.30 Cr.
 Direct Assignment	45.89 Cr.
 BC/Co-lending	75.31 Cr.



# STATE-WISE PORTFOLIO





“

*In times of change, our commitment to trust, discipline, and value creation remains unwavering.*

”

### OUR FOCUS AREAS



Customer Centricity & Inclusion



Disciplined Growth & Risk Management



Technology & Innovation



Sustainable Value Creation

# MESSAGE FROM EXECUTIVE DIRECTOR'S DESK

With immense pride and gratitude, I present the 34th Annual Report of the Company for FY 2025-26. This year's theme "Trust that Delivers: Growth that Endures", reflects our values and our commitment to building a resilient and inclusive financial future for the communities we serve. Credifin excels in underserved small and micro-businesses. Our journey, inspiring us to deliver consistent performance and enduring value.

The year under review was marked by significant shifts in the global technology, economic and geopolitical landscape. Escalating geopolitical tensions, particularly in the West Asia crisis, disrupted energy markets and led to elevated crude oil prices. Inflationary pressures, supply-chain constraints and tariff measures by the United States contributed to a slowdown across industrial and/or services nations.



### INDIAN ECONOMY: RESILIENT AND STEADY

Amid this backdrop, the Indian economy demonstrated resilience and stability. Despite global volatility, India's economy is projected to grow at 6.5% in FY 2026-27, supported by strong domestic demand, sustained infrastructure investments and continued policy oversight. This has reinforced India's position as one of the fastest-growing major economies globally.



### NBFC SECTOR: ENABLING GROWTH AND INCLUSION

In this evolving environment, the NBFC sector in India has assumed an increasingly important role in supporting credit flow to underserved and emerging segments, strengthening financial inclusion. By fostering access to credit, tailored financial products and robust risk management, the NBFCs continue to drive growth and sustainable financing has opened new avenues for credit expansion.



### OUR PERFORMANCE: DISCIPLINED, FOCUSED, FUTURE-READY

Your Company demonstrated resilience and discipline in execution. Despite external challenges, assets under management (AUM) increased 8.42% to Crores in line with our growth targets. Core Net Non-Performing Assets (NNPAs) declined to 2.63% and customer acquisition, responsible marketing practices and the continued adoption of technology-enabled financial solutions.



### OUR APPROACH: CLIENT-CENTRIC & VALUE DRIVEN

We believe that in times of uncertainty, how we operate is as important as what we deliver. By maintaining a client-centric approach, strengthening operational capabilities and investing in digital transformation, we have navigated volatility while preserving long-term value.



### OUTLOOK: POSITIONED FOR THE FUTURE

Near-term challenges may persist due to global economic uncertainties and evolving geopolitical conditions. However, infrastructure development, policy support and the need for inclusive credit continue to create significant opportunities. NBFCs are expected to play a pivotal role in addressing credit gaps, supporting small businesses, enabling green growth and enhancing financial inclusion.



Your Company remains well positioned to capitalize on these opportunities. We will continue to strengthen stakeholder relationships, expand our reach to new customer segments, embrace technology adoption and maintain resilience, risk-control and growth.

This year tested our resilience, and we have emerged stronger. Our consistent performance, supported by employees, partners and clients, reinforces our ability to navigate challenges with confidence.

With your continued trust and support, we are confident of building an institution that stands for reliability, strength and long-term value creation.

With warm regards,  
**V.K Sareen**  
Whole time Director

# MESSAGE FROM MANAGING DIRECTOR'S DESK

Dear Stakeholder(s),

It gives me great pleasure to share that FY 2025–26 has been a year of resilient and disciplined growth for your Company. Despite operating in a dynamic and, at times, challenging environment, we have continued to strengthen our presence across our core segment. Our steady progress reflects a prudent lending approach, deep customer understanding, and a strong focus on risk management.



“

I am pleased to report that Credifin has successfully evolved into a dynamic customer-centric financial solutions, leveraging digital intelligence to redeem its lending approach. This transformation marks a significant milestone in our journey, as we realign our strengths to serve the core drivers of this Indian economy.

”

## OUR FOCUS AREAS



### NAVIGATING A COMPLEX GLOBAL ENVIRONMENT

The year 2025 was marked by significant global challenges, as geopolitical conflicts, trade tensions, and persistent policy uncertainty weighed on the global economy and financial system. Notwithstanding these headwinds, India demonstrated resilient economic, underpinned by strong macroeconomic fundamentals, a large and dynamic domestic market, and a responsive policy framework that enhanced the economy's capacity to absorb external shocks. Through FY 2025–26, the Indian economy and financial sector remained robust, supported by steady growth, foreign inflation, healthy corporate balance sheets, adequate buffers, and prudent policy reforms.



### A NATION-BUILDING BUDGET

In the Union Budget for FY 2025–26, the Hon'ble Finance Minister articulated three key initiatives under the leadership of the Union, which included enhanced productivity and competitiveness, fuelling a vibrant job-creating, high-investing economy that participates in the growth journey. Through enhanced access to resources and opportunities across all segments of society, these pathways are clearly aligned with the vision of Viksit Bharat 2047, which envisages a prosperous, inclusive, and sustainable nation.



### DRIVING ACCESS, INNOVATION, INCLUSION.

At the core of this transformation lies universal access to financial services, particularly credit. The integration of digital solutions across the financial value chain is playing a pivotal role in expanding credit access, utilising data responsibly, and fostering sustainable growth. India's fintech ecosystem has emerged as a global benchmark in accessibility, innovation, and customer engagement. Innovations such as UPI, Aadhaar-enabled services, and AI-driven solutions that enhance traditional services are delivered, making them more accessible, efficient, and customer centric.



### EMBRACING TECHNOLOGY, BUILDING THE FUTURE.

I am proud to note that your Company is actively embracing advancements. By leveraging emerging technologies, including artificial intelligence and data-driven decision-making tools, we are enhancing customer experience, improving operational efficiency, and building a more resilient and scalable business model.



### DELIVERING STEADY, RESPONSIBLE GROWTH.

During the year under review, your Company delivered steady growth across key parameters, particularly in Assets Under Management (AUM). Our AUM increased to Rs. 423.51 Crore as against Rs. 350.71 Crore in FY 2024–25, driven by calibrated expansion in secured lending and priority segments. This performance has come in consonance with the sound challenging global trade environment. The growth reflects not only our prudent lending practices but also our deep understanding of customer needs, particularly in underserved markets.



**MEANINGFUL IMPACT.**

Empowering small businesses and aspiring entrepreneurs, and uplifting communities through responsible lending and tailored financial solutions.

Beyond financial metrics, what truly defines our journey is the meaningful impact we continue to create at the grassroots level. Through responsible lending and tailored financial solutions, we are empowering small businesses, supporting aspiring entrepreneurs, and contributing to the economic upliftment of communities. The positive impact of these efforts extends far beyond balance sheets, strengthening livelihoods and fostering inclusive growth.



**RESPONSIBLE GROWTH.**

Driving sustainable development through innovative solutions, digital excellence, and a strong focus on local and environmental impact.

Amid this environment, your Company remained firmly focused on responsible and sustainable growth. We continued to introduce innovative, technology-enabled financial products and solutions, strengthening our capabilities and enhancing customer experience. In parallels, we advanced our operational excellence through digital transformation, process innovation, and robust risk management practices, further reinforcing our position in vehicle financing. Our long-term strategy is centered on expanding our presence in EV financing, thereby supporting environmentally sustainable growth. Through our innovative financing solutions and continued focus on social impact, we remain committed to contributing meaningfully to the development of a sustainable transportation landscape in India.



**STRONG GOVERNANCE.**

Upholding the highest standards of transparency, compliance, and ethical conduct through robust governance and risk management frameworks.

Our governance framework, internal controls, and risk management practices continue to remain robust and aligned with regulatory expectations. We are committed to maintaining the highest standards of transparency, compliance, and ethical conduct.



**PERFORMANCE AGAINST STRATEGIC OBJECTIVES**



**RETAIL BOOK GROWTH**

Your Company recorded a 21% growth in its loan portfolio, reflecting steady expansion in core lending segments and continued focus on calibrated, quality-driven growth.

**21%**  
Growth in Loan Portfolio



**ASSET QUALITY & CREDIT COSTS**

Despite a challenging macroeconomic environment, the Company maintained healthy asset quality, supported by robust risk management frameworks.

- Credit Costs on Average Own Book **1.99%**
- Credit Costs on Average AUM **1.27%**



**RETURN ON ASSETS (RoA)**

The Company reported a RoA of 2.04% in FY26, demonstrating stable profitability amidst external headwinds. We remain focused on improving operating efficiency and portfolio quality to enhance RoA over the medium term.

**2.04%**  
RoA in FY26



“ Your Company has successfully progressed in its strategic journey to become a customer-centric, leveraging digital intelligence to redefine the lending experience. This milestone represents a significant step forward as we align our capabilities with the evolving needs of the Indian economy. ”



In this journey, we remain deeply committed to empowering rural communities and promoting inclusive economic development. By providing accessible and customized financial solutions to small businesses and aspiring entrepreneurs, your Company continues to foster grassroots innovation, encourage self-reliance, and support sustainable growth across the regions we serve.



“

The road ahead may demand resilience and determination, but it also offers immense potential for growth and transformation. By staying focused on our vision, remaining agile in our approach, and continuing to serve our customers with integrity and care,

**we will unlock new opportunities and create lasting value for all stakeholders.**

”

On behalf of the Board, I extend my heartfelt gratitude to our customers for their trust, our employees for their relentless efforts, our partners for their continued support, and our regulators, lenders, and shareholders for their confidence in our journey. We remain committed to upholding this trust and delivering sustained, long-term value.



**CUSTOMERS**  
for their trust



**EMPLOYEES**  
for their relentless efforts



**PARTNERS**  
for their continued support



**REGULATORS & LENDERS**  
for their confidence



**SHAREHOLDERS**  
for their confidence

With warm regards,

**Kumar Shalya Gupta**  
MD & CEO

# Mr. Kumar Shalya Gupta

## MD and CEO

Mr. Kumar Shalya Gupta is an experienced Founding Partner with over 16 years of diverse professional experience spanning the financial services, technology, digital marketing, and social sectors. He has a demonstrated history of working in the marketing and advertising industry, with strong expertise in driving business expansion and building sustainable growth strategies.



He is highly skilled in working with nonprofit organizations, event management, public speaking, and strengthening internal controls. His professional strength lies in combining entrepreneurial vision with practical execution, particularly across Banking, NBFCs, and the broader service industry.



Mr. Gupta is a law graduate and holds a Diploma in Management from the London School of Economics, University of London. He is also an internationally certified Lean Six Sigma Green and Black Belt professional.



Over the years, he has served as an advisor and consultant to leading banks and financial institutions, contributing across areas such as risk management, investment banking, compliance, NPA management, and corporate finance. He possesses a deep understanding of financial instruments and markets and has advised clients on complex financial transactions.



In the technology sector, he has worked with various startups and established organizations to design and implement innovative digital and marketing strategies that enhance customer experience and drive scalable growth. His cross-industry exposure includes e-commerce, fintech, healthcare, and marketing ecosystems, where he has successfully led cross-functional teams.



In addition to his corporate engagements, Mr. Kumar Shalya Gupta is actively involved with nonprofit organizations and social enterprises, focusing on creating inclusive, sustainable solutions that address social and environmental challenges.



# Mr. Vijay Kumar Sareen

## Executive Director

Mr. V.K. Sareen is a seasoned professional with over four decades of distinguished experience in academics and finance.



He served as Ex-Vice-Principal and Head of the Postgraduate Department of Commerce at D.A.V. College, Jalandhar, and holds an M.Com and M.Phil (with distinction).



He has actively contributed to academic and regulatory discourse through research presentations and representations to the Reserve Bank of India on key areas such as corporate governance and banking structures. An accomplished academician, he has led seminars and workshops, delivered guest lectures, and authored several widely recommended books on banking, GST, and business regulations.



He joined the Company as a Non-Executive Director on March 7, 2020, and was appointed Executive Director with effect from May 6, 2021.



As Whole-Time Director, he provides strategic guidance with a strong focus on corporate excellence, governance, and sustainable growth.

# Mr. Sunil Kumar Mehta

## Independent Director

A distinguished finance professional with over three decades of extensive experience in finance, leadership, governance, and strategic management.



### Extensive Leadership Experience

Mr. Sunil Kumar Mehta brings over three decades of extensive experience in the finance domain, with a distinguished career at Coal India Limited, where he held key leadership roles across functions including Central Accounts, Treasury, Taxation, Cost & Budgeting, Internal Audit, and Company Secretariat. He has also contributed significantly to areas such as coal pricing strategy, tendering, diversification initiatives, and renewable energy projects.



### Key Leadership Roles

He served as Chief Financial Officer of Coal India Limited from January 1, 2022 to February 12, 2024, overseeing financial strategy, risk management, and corporate governance. He also held the position of Director (Finance) at Coal India Africa Ltd., contributing to international financial operations. His expertise extends to ERP-driven digitisation, wage negotiations, CPFF investments, and implementation of Ind AS-compliant accounting practices.



### Governance & Committees

He has actively participated in Board and Committee proceedings, strengthening governance and risk oversight. His professional contributions include association with committees of the Institute of Chartered Accountants of India (ICAI), authorship of the Finance Manual of Coal India (2023), and a Technical Guide on Internal Audit for the Coal Industry.



### Awards & Current Appointments

He has been recognised with several accolades, including Best HOD of Coal India (2022-23) and the Excellence Award of Coal India (2024), and has served on the CI CFO Committee. He currently serves as an Independent Director on the Boards of Mahindra MSTC Recycling Pvt. Ltd. and ICA Edu Skills Pvt. Ltd.



### Beyond the Boardroom

Beyond his professional achievements, he actively contributes to social initiatives including CSR activities, tree plantation drives, blood donation camps, and promotion of sports.



# Mr. Ashwani Kumar Jindal

## Independent Director

A Fellow Member of ICAI and Commerce (Hons) graduate with over two decades of rich experience as a practicing Chartered Accountant.



### Professional Expertise

Mr. Ashwani Kumar Jindal is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and a Commerce (Hons) graduate, with over two decades of rich experience as a practicing Chartered Accountant since 2000. He possesses extensive expertise in NBFC audits, RBI matters, taxation (Income Tax & GST), and auditing, making him a well-regarded professional in the financial and regulatory domain.



### Key Audit & Regulatory Contributions

He has successfully executed the Central Statutory Audit of Amritsar Central Co-operative Bank for several years and has been actively associated with ICAI in various significant capacities. He served as a Co-opted Member of the Internal Audit Standards Board of ICAI (2020–21) and was also a Co-opted Member of the Committee of Members in Industry & Business (2019–20). Additionally, he contributed as a Co-opted Member of the Board of Studies of ICAI from 2016 to 2026.



### Leadership at Regional Level

Mr. Jindal has played a prominent leadership role at the regional level, having served as Chairman of the Jalandhar Branch of the Northern India Regional Council (NIRC) of ICAI on three occasions (2006, 2009, and 2013–14) and as Secretary five times (2002, 2004, 2005, 2008, and 2012).



### Recognition & Leadership Roles

In recognition of his contributions, he has been honored as “Best Chairman” and “Best Secretary” by NIRC of ICAI and received an award for his commendable contribution to the profession in 2013. He is a Founder Member and currently serves as General Secretary of the Chartered Accountants Association. He also holds the position of General Secretary of the Income Tax & GST Bar, Jalandhar.



### Commitment to Knowledge Sharing

Demonstrating a strong commitment to professional development and knowledge sharing, he has organized more than 500 seminars and conferences.



# Ms. Aditi Kapur

**Independent Director**



Ms. Aditi Kapur Arora is a qualified Company Secretary and a Law Graduate, and is also certified as a Six Sigma Black Belt. She is associated as a Senior Associate with Kapoor Law Firm, a reputed civil law firm established in 1925 at Kapasrhera, and with M/s Arora and Associates, a leading multi-disciplinary law firm based in Jalandhar.



She possesses extensive expertise in corporate laws, management consultancy, and business process re-engineering (BPR) solutions. Ms. Arora has been independently handling legal matters for reputed organizations across the region, with significant experience in consumer litigation, arbitration matters, property disputes, banking litigation, and revenue-related cases.



Her strong legal acumen and problem-solving abilities enable her to deliver effective, practical, and timely solutions tailored to organizational needs. She is known for her commitment to excellence, integrity, and maintaining the highest standards of professional ethics.



Ms. Aditi Kapur Arora brings valuable legal and strategic insights to the Board, supporting good governance, risk management, and the long-term sustainable growth of the organization.



# Mr. Meghal Gupta

## Non-Executive Director



Mr. Meghal Gupta is an Engineer by qualification with extensive experience in the NBFC and financial services sector. He is the promoter of Hamco Ispat Private Limited, a well-established entity engaged in the manufacturing and export of a wide range of industrial tools.



### Multi-Sector Leadership

He has demonstrated strong multi-sector leadership by successfully leading ventures across financial services, electric mobility, hand tool manufacturing, and AI-driven solutions. He possesses deep expertise in fund arrangement, credit assessment, and financial discipline, with a consistent focus on building scalable and sustainable business models across diverse verticals.



### Relationship-Driven Growth

He is known for his relationship-driven approach to growth, supported by a wide and trusted professional network. His ability to foster strategic partnerships, drive sales expansion, and maintain strong customer relationships has contributed significantly to business success.



### Operational Excellence

Additionally, his practical and structured approach to customer evaluation and debt recovery ensures operational efficiency and a healthy financial ecosystem. His professional journey is complemented by his strong personal values of discipline, integrity, and perseverance.



### Commitment to Value Creation

He is widely regarded for his commitment to transparency, honouring obligations, and creating long-term value built on trust and consistency.

# Guiding Credifin with Experience, Integrity & Strategic Vision



**PARMINDER SINGH**

*Product Head*

- 20+ years of experience across sales, recovery, distribution in vehicle finance.
- Drives product innovation, pricing and profitability optimisation aligned with market demand.



**TARANDEEP SINGH**

*Chief Technology Officer*

- 10+ years of leadership in software architecture and technology solutions.
- Strong expertise in DevOps, IT infrastructure and cloud integration.
- Leads digital innovation.



**AKSHAY MATHUR**

*Deputy Business Head – Partnerships and Alliances*

- Banking professional with 10+ years of expertise in credit risk, policy compliance and underwriting governance.
- KPMG Six Sigma (Green Belt) certified.



**AKASH ABROL**

*Deputy Chief Operating Officer*

- Finance professional with 10+ years of experience across treasury, institutional funding, MIS and operations.
- Proven capability in compliance, product strategy and profitability improvement.

# CORPORATE INFORMATION



## BOARD OF DIRECTORS

- **Mr. Kumar Shalya Gupta**  
Managing Director and CEO
- **Mr. Vijay Kumar Sareen**  
Whole-time Director
- **Mr. Meghal Gupta**  
Non-Executive Director
- **Mr. Ashwani Kumar Jindal**  
Independent Director
- **Mr. Sunil Kumar Mehta**  
Independent Director
- **Ms. Aditi Kapur**  
Independent Director



## STATUTORY AUDITORS

M/S GSA & Associates, LLP, FRN.: 000257N/N500339  
Add: DDA Flats, GF, Panchsheel-Shivalik Mor,  
Near Malviya Nagar, New Delhi-110017



## MANAGEMENT AUDITOR

CA Nitin Jain, N.G. Jain & Associates  
Add: S-63, Basant Vihar, Noorwala Road, Ludhiana



## SECRETARIAL AUDITOR

M/s Harsh Goyal & Associates,  
COP No: 2802, Peer Review Certificate No: 7522/2025  
1st Floor, Noble Enclave,  
Bhai wala Chowk, Ferozepur Road,  
Ludhiana- 144001, Punjab, India.



## COMPANY SECRETARY AND COMPLIANCE OFFICER

CS Manika Arora



## REGISTRAR & TRANSFER AGENT

M/s Skyline Financial Services Private Limited  
D-153A, 1st Floor, Okhla Industrial Area,  
Phase -I, New Delhi - 110 020, India



## DEBENTURE TRUSTEE

- Catalyst Trusteeship Limited
- Mitcon Credentia Trusteeship Services Limited  
(formerly known as MITCON Trusteeship Services Limited)



## REGISTERED OFFICE

87, Radio Colony, Jalandhar – 144001  
Contact: 79651-74500  
EMAIL: compliance@credif.in  
CIN: L65110PB1992PLC012488



## CORPORATE OFFICE

B-24, B Block, Sector2,  
Noida, UP- 201301



## STOCK EXCHANGE

Metropolitan Stock Exchange of India Limited



## CREDIT RATING AGENCY

CRISIL Ratings Limited  
Lightbridge IT Park, Saki Vihar Road,  
Andheri East, Mumbai-400072, India

# BOARD COMMITTEES

## AUDIT COMMITTEE

1.	Mr. Ashwani Kumar Jindal	Chairman (Independent Director)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Ms. Aditi Kapur	Member (Independent Director)
4.	Mr. Sunil Kumar Mehta	Member (Independent Director)

## NOMINATION AND REMUNERATION COMMITTEE

1.	Ms. Aditi Kapur	Chairperson (Independent Director)
2.	Mr. Ashwani Kumar Jindal	Member (Independent Director)
3.	Mr. Sunil Kumar Mehta	Member (Independent Director)

## STAKEHOLDERS RELATIONSHIP COMMITTEE

1.	Mr. Sunil Kumar Mehta	Chairman (Independent Director)
2.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
3.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
4.	Mr. Meghal Gupta	Member (Non- Executive Director)

## RISK MANAGEMENT COMMITTEE

1.	Mr. Ashwani Kumar Jindal	Chairman (Independent Director)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Sunil Kumar Mehta	Member (Independent Director)
4.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)

### ASSET LIABILITY MANAGEMENT COMMITTEE

1.	Mr. Vijay Kumar Sareen	Chairman (Whole Time Director)
2.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
3.	Mr. Kuldip Bhandari	Member (Chief Financial Officer)
4.	Ms. Nancy Jha	Member (Assistant Manager)
5.	Mr. Parminder Singh	Member (Product Head)

### INDEPENDENT DIRECTOR'S COMMITTEE

1.	Mr. Ashwani Kumar Jindal	Chairman (Independent Director)
2.	Ms. Aditi Kapur	Member (Independent Director)
3.	Mr. Sunil Kumar Mehta	Member (Independent Director)

### IT STRATEGY COMMITTEE

1.	Mr. Tarandeep Singh	Chairman (Chief Technical Officer)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
4.	Mr. Shivam Gupta	Member (Deputy Finance Manager)

### IT STEERING COMMITTEE

1.	Mr. Tarandeep Singh	Chairman (Chief Technical Officer)
2.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
3.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
4.	Mr. Shivam Gupta	Member (Deputy Finance Manager)

### IT SECURITY COMMITTEE

1.	Mr. Tarandeep Singh	Chairman (Chief Technical Officer)
2.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
3.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
4.	Mr. Shivam Gupta	Member (Deputy Finance Manager)

### BOARD MANAGEMENT COMMITTEE

1.	Mr. Kumar Shalya Gupta	Chairman (Managing Director and Chief Executive Officer)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Meghal Gupta	Member (Non- Executive Director)

### INTERNAL COMPLAINTS COMMITTEE

1.	Ms. Manika Arora	Presiding Officer
2.	Ms. Divya Jain	Member
3.	Mr. Rohit Sabharwal	Member
4.	Mr. Kumar Uttam	Member

### #SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUD (SCBMF)

1.	Mr. Vijay Kumar Sareen	Chairman (Whole Time Director)
2.	Mr. Ashwani Kumar Jindal	Member (Independent Director)
3.	Ms. Aditi Kapur	Member (Independent Director)
4.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
5.	Mr. Kuldip Bhandari	Member (Chief Financial Officer)

*#The invitees shall be called upon as and when required, depending on the nature and circumstances of fraud cases.*

## NPA MANAGEMENT COMMITTEE

1.	Mr. Ashwani Kumar Jindal	Chairman (Independent Director)
2.	Mr. Kumar Shalya Gupta	Member (Managing Director and Chief Executive Officer)
3.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
4.	Mr. Parminder Singh	Member (Product Head)
5.	Mr. Lakhwinder Singh	Member (State Head)
6.	Mr. Sunil Kumar Mehta	Member (Independent Director)

## COMPLIANCE COMMITTEE

1.	Ms. Aditi Kapur	Chairperson (Independent Director)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Ashwani Kumar Jindal	Member (Independent Director)
4.	Mr. Sunil Kumar Mehta	Member (Independent Director)

## STRESSED ASSETS TASK FORCE

1.	Mr. Kumar Shalya Gupta	Chairman (Managing Director and Chief Executive Officer)
2.	Mr. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Kuldip Bhandari	Member (Chief Financial Officer)
4.	Mr. Parminder Singh	Member (Product Head)
5.	Mr. Lakhwinder Singh	Member (State Head)

## BOARD OF DIRECTORS REPORT

To

The Esteemed Members

The Board of Directors (“Board”) of Credifin Limited (formerly known as PHF Leasing Limited) (“your Company” or “the Company”) is pleased to present the 34<sup>th</sup> Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2026 (“FY 2025-26” or “the period under review”).

### 1. FINANCIAL AND OPERATIONAL SUMMARY

#### 1.1 Financial Highlights

The Company’s summarized financial performance for the financial year ended March 31, 2026, as compared to the previous financial year ended March 31, 2025, is presented below:

(Rs. In Lakhs)

PARTICULARS	For period ended March 31, 2026 (Audited)	For period ended March 31, 2025 (Audited)
Total Revenue from Operations	7,795.86	6,337.87
Total Expenses	7,088.38	5,727.69
Profit/ (Loss) before exceptional and extraordinary items and tax	707.48	610.18
Exceptional items	-	-
Profit/ (Loss) before tax	707.48	610.17
Tax expense	238.80	96.33
Net Profit/(Loss) for the period	468.68	513.85
Total Comprehensive Income /(Loss) for the period	471.94	502.63
Reserves & Surplus excluding revaluation reserves	5,607.62	5,476.78
Dividend %	-	-
Earnings Per Share (In Rs.)		
• Basic	2.17	4.15
• Diluted	2.17	2.70

The above figures have been extracted from the Standalone Financial Statements prepared in accordance with Indian Accounting Standards (“Ind AS”) as notified under Sections 129 and 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act, as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

## **i) Revenue from Operations**

### **a) Financial Performance**

During the financial year 2025–26, Credifin Limited achieved a stellar performance across key metrics, cementing its position in India’s NBFC sector.

- Revenue from Operations surged to ₹ 7,795.86 lakhs, reflecting a remarkable 23% year-on-year growth from ₹6,337.87 lakhs in FY 2024–25.
- Profit Before Tax (PBT) elevated to ₹707.48 lakhs (+15.94%), and Profit After Tax (PAT) decreased to ₹468.68 lakhs (-8.79%).
- Assets Under Management (AUM) expanded from ₹350.77 crores to ₹423.51 crores, marking a growth of 20.74% within one year.

### **b) Key Growth Drivers**

#### ***(i) Strategic Expansion & Market Penetration***

Credifin broadened its geographical footprint from just 3 districts to operations across 14 states and union territories, with over 200+ locations. This expansion unlocked new revenue channels and enhanced market visibility.

#### ***(ii) Diversified Product Portfolio***

The Company broadened its offerings to include Mortgage Loans (LAP), MSME financing, and EV financing, such as e-rickshaws, e-loaders, and electric two-wheelers leveraging evolving market demand and advancing financial inclusion.

#### ***(iii) Digital Transformation & Operational Efficiency***

More than 80% of collections are now executed digitally, owing to a robust IT infrastructure that enhances collection efficiency, reduces turnaround time, and improves transaction transparency.

**(iv) Strong Risk Governance & Credit Discipline**

Consistent credit underwriting, prudent risk management, and a disciplined debt recovery model enabled maintenance of high asset quality standards and sustained profitability, despite rapid portfolio growth.

**c) Outlook & Future Readiness**

This growth trajectory showcases Credifin's ability to scale responsibly while remaining agile and digitally progressive. The Company is well-positioned for continued success, with a structured business model, strong governance, and a commitment to both growth and inclusion.

**ii) Profit Before Tax (PBT)**

Your Company achieved a Profit Before Tax (PBT) of Rs. 707.48 Lakhs for the financial year 2025-26, marking a significant growth of 15.94% compared to Rs. 610.18 Lakhs recorded in the previous financial year ending March 31, 2025.

This robust increase is attributable to business expansion, higher sales revenue, enhanced operational efficiency, and effective cost management. Strategic adjustments in pricing, optimized fund allocation, and disciplined collection practices further contributed to profitability. Additionally, favorable macroeconomic factors such as sustained economic growth, low inflation, and stable interest rates have positively influenced the Company's performance.

For a detailed analysis of income, expenditure, and financial ratios, please refer to the Management Discussion and Analysis Report included in this document.

**iii) Profit After Tax (PAT)**

The Company's Total Comprehensive Income for the financial year 2025-26 stood at Rs. 471.94 Lakhs, reflecting a decline of 6.11% compared to Rs. 502.63 Lakhs in the previous financial year 2024-25.

This decline was primarily attributable to the impact of current tax expenses during the year. However, the Company continued to maintain operational stability through its disciplined approach towards conservative cost management, efficient resource procurement at competitive rates, and sustained sales performance. Strategic cost initiatives, improved operational efficiencies, and favorable market conditions continued to support the overall financial position of the Company.

Despite the decline in Profit After Tax and Total Comprehensive Income during the year, the Company remains focused on strengthening its operational performance and maintaining long-term sustainable growth.

#### **iv) Earnings Per Share**

The Company reported a Basic Earnings Per Share (EPS) of Rs. 2.17 and a Diluted Earnings Per Share (DEPS) of Rs. 2.17 for the financial year 2025-26.

The decline in EPS during the year was primarily attributable to the issuance of new shares, resulting in an increase in the weighted average number of equity shares, along with the impact of current tax expenses. Despite the temporary moderation in earnings per share, the Company remains committed to strengthening shareholder value through sustainable business growth, operational efficiency, and strategic initiatives aimed at enhancing long-term profitability and future earnings potential.

#### **v) Capital to Risk Weighted Assets Ratio (CRAR)**

The Company's Capital to Risk Weighted Assets Ratio (CRAR) stood at 30.82% as of March 31, 2026, compared to 28.03% as of March 31, 2025, based on the aggregate risk-weighted assets on the balance sheet.

The Company's CRAR has strengthened over the previous year and remains well above the regulatory minimum requirement of 15%, reflecting a robust capital position and continued compliance with regulatory norms.

The Tier 1 ratio as on March 31, 2026 is 25.62% as against 23.36% as on March 31, 2025.

The Tier 2 ratio as on March 31, 2026 is 5.19% as against 4.68% as on March 31, 2025.

### **1.2 Operational Highlights**

#### **i) Branch Expansion**

During the financial year 2025-26, the Company significantly expanded its geographical footprint to include several additional states. The Company now operates across a diverse set of regions including Haryana, Delhi NCR, Himachal Pradesh, Rajasthan, Uttarakhand, Madhya Pradesh, Uttar Pradesh, Jammu, Bihar, Punjab and Chhattisgarh. This expansion has been facilitated by onboarding numerous dealers and sub-dealers across these locations.

The Company currently maintains branches and collection offices in multiple cities, including Amritsar, Batala, Kapurthala, Ludhiana, Ferozepur, Hoshiarpur, Delhi NCR, Abohar, Muktsar, Jaipur, Moga, Khanna, Sri Ganga Nagar, Zirakpur, Hanumangarh, Jalandhar, Ayodhya, Meerut, Faridkot, Lucknow, Muzaffarnagar, Bulandshahr, Indore, Bhopal, and Kalwar.

The Company's strategic initiatives remain forward-looking, centered on maximizing growth opportunities and achieving sustainable long-term success. Plans are underway to open additional centers across various locations and to diversify business activities further in targeted states during the upcoming fiscal year.

Recruitment efforts were broad-based, encompassing multiple roles and responsibilities throughout the organization. As a result, the Company increased its employee strength, to 509 employees as of March 31, 2026, reflecting its commitment to building a capable workforce to support growth.

## ii) Operational Cost

The Company has expanded its operations across various states and UTs and is expanding its reach in the electric vehicles (E-Vehicles) business segment. This strategic expansion has contributed to an increase in employee benefit expenses during the financial year under review.

Consequently, the Company's overall operational costs have also risen. However, this increase in costs is a direct outcome of the Company's growth initiatives and business expansion, which are expected to yield long-term benefits and contribute positively to sustainable value creation.

During the year, the operational and financial performance of your Company was as follows:

Particulars	March 31, 2026	March 31, 2025
Branches	26	29
No. of Borrowers	48992	33,094
Outstanding Loan Portfolio (Own Book) (Rs. In lakhs)	26,521.93	22,890.69
Loan Disbursed in FY (Rs. In lakhs)	21,515.93	21,129.59
Total Assets (Rs. In lakhs)	38,634.47	30,592.31

## 2. LENDING OPERATIONS

### Disbursements

The Company experienced robust growth in its total loan portfolio, which expanded by 15.86% to reach Rs. 26,521.93 Lakhs as of March 31, 2026. The retail and SME segments continue to be the

preferred focus areas for lending, closely aligned with the Company's strategic objectives, risk appetite, and target customer base.

This significant increase in the loan book reflects successful business expansion and the Company's effective ability to capitalize on market opportunities. The move is towards a more granular portfolio mix represents a strategic shift aimed at enhancing diversification and strengthening risk management by reducing the average size of loans.

By focusing on expanding the customer base and diversifying product categories, particularly in MSME and retail lending through the E-Vehicles segment, the Company aims to:

1. Expand its market reach and deepen customer engagement.
2. Capture new revenue streams and business opportunities.
3. Enhance competitiveness and differentiate in the marketplace.
4. Address evolving customer preferences and emerging market trends.
5. Contribute to sustainable and inclusive economic development.

### 3. RECOVERY & STRESSES ASSETS MANAGEMENT

The movement of NPAs during the last four financial years are furnished below:

	FY2023	FY2024	FY2025	FY2026
<b>Gross NPA%</b>	2.09	2.88	3.76	4.97
<b>Net NPA%</b>	1.89	2.18	2.97	3.93

#### Current Position (as on March 31, 2026)

Gross NPA stood at ₹1319.15 lakhs, compared to ₹860.79 lakhs in the previous year.

#### Why Did NPAs Rise?

##### 1. Growth of Portfolio Size:

The loan book expanded from ₹350 Crores to ₹424 Crores. Rapid scale-up increased exposure to risk, and even minor delinquencies showed up sharply in percentage terms.

##### 2. Geographic & Segmental Diversification:

New territories with untested borrowers and varied credit behavior initially led to a spike in

delinquencies, expected to normalize over time.

### *3. Macroeconomic Headwinds:*

Factors such as global uncertainties arising from geopolitical tensions, trade disruptions, and persistent policy volatility exert pressure on economic activity and financial systems.

### *4. Operational Shocks:*

Borrower community defaults triggered isolated NPA increases.

### *5. Stricter Recognition Norms:*

In alignment with RBI's prudent guidelines, NPAs were more aggressively recognized to maintain long-term portfolio hygiene.

## **What Has Been Done / What is Being Done**

### *1. Strengthened Collections and Recovery Team*

- Enhanced recovery tracking, alerts, and outreach in high-risk regions.
- Digital repayment adoption is over 80%, increasing control.
- Legal action against the willful defaulters

### *2. Improved Risk-Based Pricing & Monitoring*

- Segment-wise risk metrics integrated into credit appraisal.
- Monthly portfolio reviews at regional and central levels.

### *3. Diversified Product Mix*

- Increasing focus on secured assets like LAP and vehicle finance to manage default risk.

### *4. Policy and Credit Enhancements*

- Tightened KYC, income verification, and borrower profiling.

### *5. Predictive Analytics & AUM Growth*

- Scale will help normalize delinquency percentages.
- High-performing branches being benchmarked across zones.

## Outlook

The recent increase in NPAs is largely transitional in nature and attributable to rapid portfolio expansion, initial onboarding challenges in newly penetrated regions, and prevailing macroeconomic volatility. The Company expects asset quality indicators, including GNPA and NNPA, to gradually improve over the next 2–3 quarters, supported by portfolio seasoning, enhanced operational efficiencies in newer markets, and continued digital and collection-focused interventions.

## 4. SHARE CAPITAL AND DEBENTURES

### 4.1 Capital Structure

The Authorized Share Capital of the Company as on March 31, 2026 is Rs. 40,00,00,000 (Rupees Forty Crores Only) and the issued, subscribed and paid-up share capital of the Company is as below:-

Share Capital	Amount (in Rs.)
Issued Capital	
30,84,38,40 Equity Shares of Rs.10/- each	30,84,38,400
Subscribed Capital	30,82,93,400
30,82,93,40 Equity Shares of Rs. 10/- each	
Paid Up Share Capital	30,82,93,400
30,82,93,40 Equity Shares of Rs.10/- each	
Total	30,82,93,400

The difference in issued share capital and subscribed & paid up share capital is on account of the 14,500 (Fourteen Thousand and Five Hundred) equity shares that have been forfeited by the Company.

### Raising of Funds/Capital

#### A. Preferential Issue of Equity Shares

During the year under review, the Company allotted 1,84,42,510 equity shares of face value of Rs. 10/- each at an issue price of Rs. 25/- per share (including a premium of Rs. 15/- per share), aggregating to Rs. 46,10,62,750/-, pursuant to the conversion of an equivalent number of fully convertible warrants issued on a preferential basis.

Consequent to the above allotment, the issued share capital of the Company increased from Rs. 12,40,13,300/- (comprising 1,24,01,330 equity shares) to Rs. 30,84,38,400/- (comprising 3,08,43,840 equity shares). Further, the subscribed and paid-up share capital increased from Rs. 12,38,68,300/- (comprising 1,23,86,830 equity shares) to Rs. 30,82,93,400/- (comprising 3,08,29,340 equity shares).

Below are the details of the equity share capital as on March 31, 2026:

(Amount in Rs.)

Date	Particulars	No. of Equity Shares	Nominal Value	Issue Price	Equity Share Capital	Cumulative Paid up Share Capital
April 01, 2025	Opening Balance	1,23,86,830	10	-	12,38,68,300	12,38,68,300
March 31, 2026	Closing Balance	3,08,29,340	10	25	30,82,93,400	30,82,93,400

### Preferential Issue of Equity Warrants

The company had allotted 1,84,60,510 (One Crore Eighty Four Lakhs Sixty Thousand Five Hundred and Ten) Fully Convertible Warrants ("Warrants") on a preferential basis at an issue price of Rs. 25/- (Rupees Twenty Five Only) per warrant to be convertible at an option of Warrant holder(s) in one or more tranches, within 18 (Eighteen) months from its allotment date i.e. March 31, 2024 into an equivalent number of fully paid-up equity shares of the face value of Rs. 10/- (Rupees Ten Only) each, for an aggregate amount of up to Rs. 46,15,12,750/- (Rupees Forty Six Crores Fifteen Lakhs Twelve Thousand Seven Hundred and Fifty Only) in accordance with the terms and conditions approved by the shareholders of the Company through Extraordinary General Meeting dated March 21, 2024. The Company also received in-principle approvals for the aforesaid allotment from Metropolitan Stock Exchange on March 07, 2024 respectively.

Except as mentioned above, the Company has not issued any other shares or instruments convertible into equity shares of the Company or with differential voting rights nor has granted any sweat equity. After the closure of financial year, the company has allotted 1,84,42,510 (One Crore Eighty Four Lakh Forty Two Thousand Five Hundred and Ten Only) equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up, at an issue price of Rs. 25/- (Rupees Twenty Five Only) per equity share (including premium of Rs. 15/- (Rupees Fifteen Only) each, for an aggregate amount of Rs. 46,10,62,750/- (Rupees Forty Six Crores Ten Lakhs Sixty Two Thousand Seven Hundred and Fifty Only) pursuant to the conversion of 1,84,42,510 (One Crore Eighty Four Lakhs Forty Two Thousand Five Hundred and Ten Only) fully convertible warrants issued on Preferential Basis via Board Resolution

dated September 30, 2025. As a result of such allotment, the issued capital increased from Rs. 12,40,13,300/- (Rupees Twelve Crores Forty Lakhs Thirteen Thousand and Three Hundred Only) (comprising 1,24,01,330 (One Crore Twenty Four Lakhs One Thousand Three Hundred and Thirty Only) equity shares of Rs. 10/- each) to Rs. 30,84,38,400/- (Rupees Thirty Crores Eighty Four Lakhs Thirty Eight Thousand and Four Hundred Only) (comprising 3,08,43,840 (Three Crores Eight Lakhs Forty Three Thousand Eight Hundred and Forty Only) equity shares of Rs. 10/- each) and subscribed/paid-up share capital increased from Rs. 12,38,68,300/- (Rupees Twelve Crores Thirty Eight Lakhs Sixty Eight Thousand and Three Hundred Only) (comprising 1,23,86,830 (One Crore Twenty Three Lakhs Eight Six Thousand Eight Hundred and Thirty Only) equity shares of Rs.10/- each) to Rs. 30,82,93,400/- (Rupees Thirty Crores Eighty Two Lakhs Ninety Three Thousand and Four Hundred Only) (comprising 3,08,29,340 (Three Crores Eight Lakhs Twenty Nine Thousand Three Hundred and Forty Only) equity shares of Rs. 10/- each). The equity shares so allotted rank pari-passu with the existing equity shares of the Company.

#### **B. Private Placement Issues of Non-Convertible Debentures**

The Company has been regular in its payment obligations towards the NCDs.

Sr. No.	Series	Type of Issue	Tranches	No. of Securities	Price (in Rs.)
1	Series I/2025-26	Private Placement	I	10810	1,08,10,000
2	Series I/2025-26	Private Placement	II	1600	16,00,000
3	Series II/2025-26	Private Placement	I	1230	1,23,00,000
4	Series-III/2025-26	Private Placement	I	1225	12,25,00,000
5	Series-III/2025-26	Private Placement	II	275	2,75,00,000
6	Series-III/2025-26	Private Placement	III	9640	9,64,00,000
7	Series-IV/2025-26	Private Placement	I	8180	8,18,00,000

During the financial year under review, the Company allocated Subordinate-Debt Bonds (referred to as SDBs) in the form of Unsecured Redeemable Non-Convertible Debentures (NCDs) through private placement, as outlined below:

SRNCD/SDB	No. of Debentures	Nominal Amount (Rs.)	Total Amount (Rs.)
SERIES-A/2025-26	340	100000	34000000

## 4.2 Banks/FIs

As of March 31, 2026, the Company's total borrowings stood at Rs. 26,898.69 Lakhs, reflecting a significant increase from Rs. 21,178.91 Lakhs in the previous financial year.

During the year under review, the Company successfully secured term loans of Rs. 9,000 Lakhs from various banks and financial institutions to support its growth initiatives.

In addition, the Company strengthened its relationship with existing lenders by obtaining enhanced working capital and term loan facilities, thereby bolstering financial flexibility and capacity.

## 5. DIVIDEND

In light of the Company's performance and with a focus on preserving profits to support future expansion, the Board of Directors has decided to retain the earnings and, accordingly, has not recommended any dividend for the financial year under review.

## 6. CREDIT RATING

During the year, CRISIL assigned BBB-/Stable rating for the company's bank loan facilities of Rs. 50 Crore.

## 7. RISK MANAGEMENT

Throughout the financial year, the Company has maintained a steadfast commitment to proactively identifying, assessing, and mitigating risks that could impact its operations, financial performance, and strategic goals. Effective risk management remains a fundamental pillar of our corporate governance framework, fostering resilience and sustainability amid an ever-changing business environment.

The Company's multifaceted risk management approach includes:

- Conducting regular risk assessments and scenario analyses to identify emerging risks and potential vulnerabilities.
- Implementing targeted risk mitigation measures aligned with specific risk profiles, including diversification strategies, hedging mechanisms, and appropriate insurance coverage.
- Continuously monitoring and reviewing risk exposures to enable timely and effective responses to evolving risk scenarios.
- Strengthening internal controls and governance structures to enhance oversight and accountability at all organizational levels.

By presenting a dedicated note on risk management in the Management Discussion and Analysis (MD&A) Report, stakeholders are provided with comprehensive insights into the Company's risk management philosophy and its integration within strategic decision-making processes.

## **8. REGULATORY**

### **8.1 Compliance with Applicable Laws**

#### **UPDATE**

The Company recognizes compliance, ethical conduct, and sound corporate governance as integral to its business operations and long-term sustainability. During the financial year under review, the Company continued to strengthen its compliance framework by implementing robust processes and controls to ensure adherence to all applicable laws, regulations, and industry standards.

Being registered with the Reserve Bank of India (RBI) as a non-deposit-taking Non-Banking Financial Company (NBFC), the Company has complied with all applicable RBI guidelines, circulars, and regulatory directives governing its operations.

As a listed entity, the Company has consistently fulfilled the disclosure and compliance requirements prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with other applicable SEBI regulations and circulars.

Further, the Company has ensured timely compliance with the provisions of the Companies Act, 2013, including the filing of all statutory returns, forms, and disclosures with the Registrar of Companies (ROC) within the prescribed timelines.

In its capacity as an issuer of securities, the Company has also complied with all applicable contractual and regulatory obligations relating to stock exchanges, debenture trustees, depositories, depository participants, and the Registrar and Transfer Agent.

The Company remains committed to fostering a strong compliance culture supported by continuous monitoring of regulatory developments, periodic risk assessments, and proactive compliance initiatives. Through these measures, the Company aims to maintain high standards of transparency, accountability, and ethical business practices.

The Board believes that a robust compliance and governance framework is fundamental to enhancing stakeholder confidence, mitigating legal and reputational risks, and creating sustainable long-term value for all stakeholders.

## 8.2 Compliance with Secretarial Standards

The Company has ensured full compliance with the applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). This adherence underscores the Company's commitment to upholding the highest standards of corporate governance and regulatory compliance in all its operations.

## 9. DETAILS OF SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES

The Company does not have any subsidiary/ joint venture/ associates as on March 31, 2026.

## 10. TRANSFER TO GENERAL RESERVE/STATUTORY RESERVES

The transfer to General Reserves/Statutory Reserves is duly reflected in the financial statements, contributing significantly to strengthening the Company's balance sheet and enhancing its overall financial standing. This prudent allocation highlights the Company's commitment to maintaining a robust financial position and its preparedness to withstand future challenges.

During the financial year under review, the Company allocated Rs. 93.74 Lakhs, equivalent to 20% of the Profit After Tax for the period, to the Statutory Reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.

## 11. INTERNAL CONTROLS

### 11.1 Internal Financial Controls

The Company's internal financial controls comprise a comprehensive framework of policies and procedures designed to ensure efficient and orderly business operations. These controls play a critical role in enforcing adherence to Company policies, safeguarding assets, detecting and preventing fraud, maintaining accurate and complete accounting records, and providing reliable financial information. The key elements include:

- **Policies and Procedures:**
  - Well-defined policies and procedures guide business conduct, with formal documentation of delegation of authority to ensure clarity in roles and responsibilities.
  - An established organizational structure supports effective workflow and decision-making.
  - Segregation of duties is enforced to prevent conflicts of interest and strengthen internal control.

- **Prevention and Detection of Fraud and Errors:**
  - A proactive anti-fraud framework is implemented to manage risks related to fraudulent activities.
- **Timely Preparation of Reliable Financial Information:**
  - Financial items are accurately described, classified, and organized to promote transparency.
  - Financial information is prepared within defined timelines to support informed decision-making by stakeholders.
- **Safeguarding of Assets:**
  - Robust processes ensure the ownership, security, and protection of Company assets against loss or misuse.
- **Accuracy and Completeness of Accounting Records:**
  - Transactions are comprehensively recorded with complete documentation.
  - Asset, liability, revenue, and expense accounts are maintained with accuracy and appropriately classified to facilitate generation of reliable financial statements.

The Company's internal control systems are carefully tailored to reflect the nature, size, scale, and complexity of its operations. Standard Operating Procedures (SOPs) and Risk Control Matrices are meticulously designed, regularly reviewed, and updated to ensure ongoing effectiveness. During the year, no significant concerns were reported regarding the adequacy or effectiveness of these controls, underscoring the Company's commitment to robust internal mechanisms that mitigate risks and safeguard operational integrity.

Periodic internal audits are conducted to evaluate the controls' effectiveness and compliance with statutory and regulatory requirements. The Audit Committee annually reviews the audit scope to ensure comprehensive coverage. Internal Audit Reports are closely examined by the Audit Committee and the Board of Directors, with significant findings promptly addressed and corrective actions implemented. The Company continuously strives to enhance its internal financial controls through regular assessments, feedback mechanisms, and targeted training initiatives. This ongoing vigilance ensures that controls remain responsive to emerging risks and evolving business dynamics.

Internal financial controls form a cornerstone of the Company's governance framework by fostering transparency, accountability, and sound financial management. Maintaining strong controls and a culture of compliance enables the Company to safeguard its assets, manage risks effectively, and deliver sustainable value to its stakeholders.

### **11.2 Internal Control Systems**

The Company has established a robust internal control and assurance framework commensurate with the size, scale, and complexity of its operations. In alignment with the implementation of the Risk-Based Internal Audit (RBIA) framework and in compliance with the applicable Reserve Bank of India (RBI) guidelines, the Company has adopted a Board-approved Risk-Based Internal Audit Policy. These frameworks provide reasonable assurance to the Board of Directors and Senior Management regarding the adequacy and effectiveness of the Company's governance, risk management, and internal control systems.

The Internal Audit ("IA") function is entrusted with the responsibility of independently evaluating and enhancing the effectiveness of governance processes, risk management practices, and internal controls across the organization. The scope of the audit program extends to all functional areas, including branch operations and the Head Office, with a focus on assessing the adequacy, implementation, and effectiveness of systems and procedures relating to risk identification, measurement, monitoring, and mitigation.

The Company has implemented comprehensive internal controls, systems, and procedures across all business and support functions to safeguard assets against unauthorized use or disposition, ensure the accuracy and reliability of financial and operational information, and maintain compliance with applicable laws, regulations, and internal policies. Independent internal audits are conducted in accordance with the audit plan and scope approved by the Audit Committee.

The IA function continuously monitors and evaluates the effectiveness and adequacy of the Company's internal control environment to ensure operational efficiency, reliability of financial reporting, and regulatory compliance.

Based on the observations and recommendations of the IA function, process owners undertake appropriate corrective and preventive measures to strengthen controls within their respective areas. Significant audit findings, together with the status of corrective actions taken, are periodically presented to the Audit Committee for review and oversight. The Internal Audit Department, comprising experienced professionals, reports directly to the Audit Committee. The Audit Committee regularly reviews internal audit reports, monitors the implementation of

recommendations, and evaluates the adequacy and effectiveness of the Company's internal control systems. The Company also emphasizes continuous training and knowledge enhancement of the audit team to ensure that evolving risks and business requirements are effectively addressed, thereby strengthening the overall control environment and supporting the Company's strategic objectives.

## **12. LISTING STATUS OF THE COMPANY**

The Company's equity shares were listed on the Metropolitan Stock Exchange of India (MSEI) on May 16, 2018, and trading commenced from May 21, 2018, pursuant to circular no. MSE/LIST/6322/2018. As a listed entity, the Company rigorously ensures compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with subsequent statutory amendments and updates.

Additionally, the Company has converted warrants into equity shares, and received listing approval on December 19, 2025, followed by trading approval thereafter, in line with its strategic funding initiatives.

## **13. DEPOSITS**

The Company is registered with the Reserve Bank of India (RBI) as a non-deposit accepting Non-Banking Financial Company (NBFC) under Section 45-IA of the RBI Act, 1934, as evidenced by the certificate dated November 8, 2024. The Directors hereby confirm that the Company did not accept any public deposits during the financial year under review.

## **14. ANNUAL RETURN**

In terms of Section 134 (3)(a) of the Companies Act, 2013 (hereinafter to be referred to as Act) the Annual Return as referred to in sub section (3) of Section 92 is available on the weblink <https://www.credif.in/annual-return>

## **15. LOANS, GUARANTEES OR INVESTMENTS**

Pursuant to the provisions of the Companies Act, 2013, loans disbursed, guarantees extended, and securities furnished by an NBFC registered with the Reserve Bank of India in the ordinary course of its business are exempt from the disclosure requirements under Section 186 of the Act. Accordingly, details relating to such transactions are not disclosed in this Report.

## **16. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135(1) of the Companies Act, 2013 are not applicable to the Company. However, we have voluntarily taken up maintenance of parks to provide Green and Clean city and Sports Activity for spreading awareness, support prevention and stand for women's health.

These voluntary social welfare activities reflect the Company's continued commitment to creating a positive impact on society. The Company is proactively taking necessary steps to ensure full compliance with CSR provisions in the forthcoming financial year.

## **17. AUDITS & INSPECTION OF ACCOUNTS**

### **17.1 Statutory Auditors**

In accordance with the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014, other applicable rules framed under the Act, applicable SEBI Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India and upon recommendation of the Audit Committee and Board of Directors, the Company had appointed M/s GSA & Associates LLP, Chartered Accountants, having FRN.: 000257N/N500339, as Statutory Auditors of the Company on September 19, 2021 to hold office until the conclusion of the Annual General Meeting to be held for the financial year 2025-26. As their term expires in the ensuing Annual General Meeting of the Company, the Board of Directors had re-appointed M/s GSA & Associates LLP, Chartered Accountants for the term of five consecutive years, to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the financial year 2030-31.

### **17.2 Auditors' Report**

M/s GSA & Associates, LLP, Chartered Accountants, who serve as the Statutory Auditors of the Company, have conducted an audit of the Company's financial statements for the fiscal year ending on March 31, 2026. In accordance with section 143(3) of the Act, the Statutory Auditors have also provided a report on the adequacy and effectiveness of the internal financial controls system over financial reporting, which is enclosed as an '**Annexure I-A to Independent Auditors' Report**'. It is noteworthy that the Statutory Auditors have not issued any qualifications in their report.

### **17.3 Response of the Board to the Auditors' Comment**

The Auditors' Report, read with notes to the accounts are self-explanatory and therefore, do Not require further comments/elaborations pursuant to Section 134 of the Act.

#### **17.4 Internal Audit**

Upholding stringent checks and balances, the Company conducts regular and comprehensive internal audits under the supervision of its independent Internal Audit Department. The department rigorously examines internal controls, operational systems, and procedures, identifying areas for improvement and risk mitigation. The Internal Audit function proactively recommends enhancements to operational processes and service quality, thereby effectively managing a wide range of risks. In compliance with the Companies Act, 2013, the Audit Committee periodically reviews significant audit findings and oversee the implementation of corrective measures to ensure robust governance and operational integrity. The internal audit observations and compliance are duly monitored by the Audit Committee in the quarterly meetings.

#### **17.5 Secretarial Auditors and Secretarial Audit Report and Secretarial Compliance Report**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and upon recommendation of the Audit Committee and Board of Directors, the company had appointed M/s. Harsh Goyal & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit and Secretarial Compliance Audit of the Company for the financial year ended on March 31, 2026.

The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. Harsh Goyal & Associates, Company Secretaries, is attached as **Annexure I** to the Board’s Report. The Secretarial Audit Report is self-explanatory. Pursuant to Regulation 24A of the SEBI Listing Regulations, the Secretarial Compliance Report obtained from M/s. Harsh Goyal & Associates, Practicing Company Secretaries for the financial year under review was placed before the Audit Committee and the Board. The Secretarial Audit Report and the Secretarial Compliance Report do not contain any qualifications, reservations or adverse remarks.

#### **17.6 Response of the Board to the observations of Secretarial Auditors in their Secretarial Audit Report and Secretarial Compliance Report**

The Secretarial Audit Report and Secretarial Compliance Report for the FY 2025-26 does not contain any other observations, qualification or adverse remarks.

#### **17.7 Reporting of Frauds by Auditors**

During the year, the Company identified certain instances of employee misconduct involving misappropriation of funds through its internal monitoring and control mechanisms. The Management promptly reported these instances to the Statutory Auditors and initiated appropriate

disciplinary, recovery and corrective measures, including strengthening the internal control framework to mitigate the risk of recurrence. Throughout the review period, the Statutory Audit conducted in accordance with generally accepted auditing practices in India, and based on the information and explanations provided by the Management. Except for these instances, the Auditors have neither come across any material fraud on or by the Company during the year, nor have they been informed of any such case by the Management. The Internal Auditors nor the Secretarial Auditors have reported any instances of fraud perpetrated by the Company's Officers or Employees to the Audit Committee, as mandated by section 143(12) of the Act.

### **17.8 Cost Records and Cost Audit**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

## **18. CORPORATE GOVERNANCE**

At CREDIFIN, our commitment to responsible business practices and transparent governance is reflected in our robust internal governance framework. Led by a diverse Board of Directors with expertise spanning various fields, the Board provides essential guidance aimed at enhancing stakeholder value.

The Managing Director & CEO and Whole-time Director oversees daily operations, supported by a senior management team that ensures effective supervision and control. The Board regularly evaluates policies, goals, and performance metrics to maintain accountability and foster continuous improvement. Our operations are further strengthened by multiple Board-established committees that comply with legal requirements and are dedicated to enhancing shareholder value, supporting management decisions, and upholding the highest standards of transparency and corporate governance. To reinforce ethical conduct, CREDIFIN mandates annual declarations from all directors affirming their adherence to the Code of Conduct for the Board of Directors and Senior Management Personnel. This underscores our commitment to ethical standards and responsible behaviour.

A robust grievance redressal mechanism is in place to promptly and effectively address concerns raised by stakeholders, including communities, investors, shareholders, employees, and customers. Driven by our commitment to governance and ethics, we operate responsibly and align our practices with sustainability principles to generate long-term value. Our governance is deeply rooted in transparency, accountability, and ethical behaviour. For detailed insights into our Corporate Governance practices, please refer to the Corporate Governance Report included in this Annual Report. As mandated by Part C of Schedule V of the SEBI Listing Regulations, we have enclosed the Corporate Governance Report along with a compliance certificate from M/s Harsh Goyal & Associate, Company Secretaries, as **Annexure II**

## 19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All RPTs that were entered into during FY26 were on an arm's length basis and in the ordinary course of business and disclosed in the Financial Statements. There were no materially significant RPTs made by the Company with Promoters, Directors, KMPs or Body Corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPTs as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The Directors draw attention of the Members to notes to the Financial Statements which sets out related party disclosures.

All the said transactions were done with prior approval of the Audit Committee and the Board as required under the relevant Statutes. The transactions entered into pursuant to the omnibus approval of the Audit Committee were also placed every quarter before the Audit Committee for its review. Pursuant to Regulation 23(9) of the Listing Regulations, your Company has also duly filed the reports on related party transactions with the Metropolitan Stock Exchange Ltd., duly within the dates prescribed under the said Regulation. Details of transaction(s) by the Company with any person or entity(ies) belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required under para A of Schedule V of the Listing Regulations are NIL, as there is no such entity. Additionally, no Director has any pecuniary relationship or transactions with the Company except those disclosed in the notes to the financial statements.

The Board-approved policy governing the materiality of related party transactions and their management is accessible on the Company's website at <https://www.credif.in/our-policies>.

## 20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO, IN MANNER PRESCRIBED

The information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is as follows:

### a. Conservation of Energy

As a company primarily engaged in financing activities, the Company's operations are not significantly energy-intensive. Nevertheless, the Company remains committed to promoting responsible energy usage and adopting sustainable practices across its operations.

To optimize energy consumption, the Company utilizes energy-efficient computers, electrical equipment, and office infrastructure across its Head Office and branch network. Appropriate resources and budgets have been allocated towards energy conservation initiatives, which are periodically monitored to ensure efficient utilization of energy resources and reduction of avoidable wastage. The Company continues to encourage environmentally conscious practices and remains focused on enhancing operational efficiency through prudent energy management measures.

**b. Technology Absorption**

**Technology: The Core of Sustainable Growth in NBFCs**

In an increasingly dynamic and digitally driven financial ecosystem, technology has emerged as a critical enabler for operational scalability, customer experience, risk management, and regulatory compliance within the Non-Banking Financial Company (NBFC) sector. Institutions that strategically integrate technology into their core business processes are better positioned to respond to evolving customer expectations, enhance operational efficiency, and achieve sustainable growth.

Recognizing the transformational role of technology, Credifin Limited has adopted a technology-first and risk-focused approach across its operations. The Company has made significant investments in developing a robust and fully customized in-house technology infrastructure designed to support its diverse lending portfolio and evolving business requirements. This infrastructure is continuously enhanced by an experienced internal technology team, enabling faster implementation of business initiatives, seamless regulatory compliance, operational continuity, and greater control over critical systems and processes.

The Company increasingly leverages digital platforms, automation tools, data analytics, and emerging technology-driven solutions to strengthen stakeholder engagement, improve decision-making, and enhance customer service delivery. Through a structured approach to digital integration and continuous feedback mechanisms, the Company ensures that business strategies remain aligned with customer needs, operational priorities, and risk management objectives.

As part of its digital transformation journey, the Company continues to promote paperless customer journeys across select lending segments, thereby improving efficiency, reducing turnaround times, and supporting environmentally responsible business practices. The Company has also implemented technology-enabled monitoring and reporting mechanisms across operational processes to strengthen oversight and improve process efficiency.

The effectiveness of the Company's digital initiatives is reflected in its strong online collections framework, which currently serves over 1,00,000 customers and contributes to majority of total collections through digital channels. This technology-driven approach has significantly enhanced operational efficiency, minimized cash-handling risks, improved collection turnaround times, and strengthened customer convenience.

Driven by the vision of the management and supported by a dedicated technology team, the Company remains committed to continuously strengthening its digital capabilities to build a resilient, scalable, and future-ready financial services platform.

Furthermore, the regulatory environment increasingly mandates technological integration, particularly for functions such as data privacy, reporting, risk management, and KYC compliance. With regulators like the RBI emphasizing robust IT governance, Credifin's forward-looking digital approach places it ahead of the curve: ensuring both compliance and customer delight.

### **1. Advanced In-House Technology Infrastructure**

Credifin Limited leverages top-tier in-house developed technology that is finely tuned to its unique risk and compliance workflows. This fully customized platform has been recognized as one of the most advanced among peer institutions. It underscores our commitment to operational excellence and innovation.

### **2. Centralized Digital Platform and Scalable Operations**

The Company operates a robust, centralized finance software system that supports both operational and financial functions. This platform is capable of managing high volumes of accounts and transactions via modular, menu-driven architecture. Such flexibility ensures seamless adaptation to emerging business needs, preserving the value of our IT investments. The Company is poised to scale its operations through a fully branchless model across all its product lines, a pioneering achievement in the NBFC sector. This transformative shift is expected to unlock unprecedented scalability, operational agility, and market outreach, setting new benchmarks for digital-first financial services in India.

### **3. Strengthening Lending Operations through LOS & LMS Integration**

As part of our ongoing technology roadmap, we have transitioned to an integrated Loan Origination System (LOS) and Loan Management System (LMS). This upgrade is expected to enhance operational efficiencies and reduce costs while improving end-to-end lending processes like onboarding, disbursement, and servicing.

### **4. Digital-First & Contactless Customer Ecosystem**

Aligning with our digitalization strategy, Credifin continues blurring the line between physical and digital operations. We're building a contactless, seamless ecosystem, leveraging mobile-first processes and automation to improve customer experience, safety, and reach. Our collection ecosystem is digitally driven: over 80% of collections involving more than 1,00,000 customers are processed in real time online, significantly enhancing speed and reliability.

## 5. Technology Self-Reliance & Digital Collections

We confirm that no technology was imported over the last three financial years. All technology development is done in-house, keeping control, cost, and customization firmly in focus.

## 6. Strategic Context & Industry Alignment

- *Rural Lending with Predictive Tech:* Credifin's platform seamlessly handles loan origination, monitoring, and collections via predictive analytics, helping scale operations in semi-urban and rural markets with precision.
- *Diversified & Inclusive Product Suite:* The modular architecture powers delivery of a growing product range including EV financing (e-rickshaws, e-loaders, CNG autos, EV 2-wheelers, 2-wheelers, Used Vehicle Loans) and Mortgage LAPs, reaching underserved communities.
- *FinTech-Enabled Compliance & Efficiency:* Industry-wide trends show NBFCs deploying automation, AI, and analytics for faster decision-making and stronger compliance. Credifin's tech initiatives align closely with these trends.

## 7. Foreign Exchange Earnings and Outgo

There was no foreign exchange earnings and outgo during the year.

## 21. DIRECTORS

### 21.1 BOARD OF DIRECTORS

The Board of Directors of Credifin Limited forms the core of our corporate governance framework, guiding the Company toward sustainable growth and long-term value creation. Comprising individuals with diverse expertise and a steadfast commitment, the Board upholds the highest standards of integrity, transparency, and accountability.

During the year under review, the Board played a critical role in overseeing the Company's operations to ensure alignment of management actions with the best interests of our stakeholders. Regular meetings and deliberations provided a platform for strategic decision-making, policy formulation, and performance evaluation. The Board diligently fulfills its fiduciary responsibilities by exercising prudent oversight over risk management, financial reporting, and compliance matters. The governance framework is further reinforced through specialized committees such as the Audit Committee, Risk Management Committee, and Nomination and Remuneration Committee, each focusing on key areas of responsibility.

The Board continues to uphold high standards of independence and diversity, with a balanced composition of independent directors who bring diverse expertise and perspectives to its deliberations. Their active oversight, coupled with robust and transparent disclosures, helps mitigate potential conflicts of interest and reinforces stakeholder trust.

Looking ahead, the Board remains focused on driving the Company's strategic objectives, encouraging innovation, and enhancing long-term shareholder value. In its role as a custodian of sound corporate governance, the Board is committed to maintaining the highest levels of transparency, accountability, and ethical conduct, thereby supporting the Company's sustained growth and long-term success.

## **COMPOSITION**

The Board of Directors at Credifin Limited embodies a harmonious blend of expertise, experience, and diversity, ensuring robust governance and strategic oversight. Comprising eminent individuals with unique perspectives and skill sets, the Board collectively guides the Company towards its goals with diligence and integrity. Diversity stands as a fundamental pillar of our Board's composition, representing a wide spectrum of backgrounds, talents, and industry insights. This diversity fosters innovation, enhances decision-making quality, and strengthens the Company's capacity to adapt to evolving market conditions.

The Board's structure is carefully designed to comply with regulatory mandates and best practices in corporate governance. With a balanced mix of executive, non-executive, and independent directors, the Board ensures comprehensive oversight, accountability, and effective risk management. Our directors bring extensive expertise across multiple disciplines, including finance, technology, legal, operations, and more. This collective knowledge equips the Board to provide informed guidance on key areas such as strategic planning, risk evaluation, and stakeholder engagement. At Credifin, we recognize that an effective Board composition is pivotal to driving sustainable growth and enhancing shareholder value. We remain committed to sustaining a dynamic and inclusive Board that exemplifies transparency, integrity, and an unwavering pursuit of excellence.

### **Woman Director**

In accordance with the provisions of the Companies Act, 2013 (the "Act"), the Board of Directors of the Company maintains an optimal composition that includes Executive, Non-Executive, and Independent Directors. Additionally, the Board includes a Woman Director, Ms. Aditi Kapur, reflecting the Company's commitment to gender diversity and inclusive governance.

The Board of Directors as on March 31, 2026 are given herein below:

DIN	Name of Directors	Designation	Brief Profile
07978240	Mr. Vijay Kumar Sareen	Whole time Executive Director	Mr. V.K. Sareen has an extensive experience in academics and finance. He served as the Ex-Vice-Principal and Head of the PG Department of Commerce at D.A.V. College, Jalandhar. He is M.Com, M.Phil with distinction having teaching experience of 40 years. He has been actively involved in presenting papers and making suggestion on finance, banking and curriculum development at different universities. His contributions extend to making representations on discussion papers by Reserve Bank of India, focusing on areas like Corporate Governance in Banks, Local Area Banks feasibility and matters concerning Small Finance Banks. As a project Director, conducted various seminars, workshops, delivering guest lectures/TV and Radio Talks on varying topics. He has co-chaired technical sessions, coordinated panel discussions and has judged inter-college competitions. He is author of many books on Business Regulatory frameworks, Banking, GST etc. which are recommended by different universities pan India. Initially, inducted as Non Executive Director in March 7, 2020. He later became Executive Director w.e.f. May 6, 2021.
00670384	Mr. Ashwani Kumar Jindal	Independent Director	Mr. Ashwani Kumar Jindal is an Independent Director. He is a fellow member of the Institute of Chartered Accountants of India. He has an immense knowledgeable experience in Income Tax, GST and Auditing. He is Co-opted Member of Internal ASB of ICAI for the year 2020-21 and remained co-opted member of Committee of Members in Industry & Business of ICAI for the year 2019-20. Also remained Co-opted member of Board of Studies of ICAI for the years 2016-2026. He remained as Chairman of Jalandhar Branch of NIRC of ICAI for three years in 2006, 2009 and 2013-14. He is Founder member and General Secretary of Chartered Accountants Association. He is also General Secretary of Income Tax & GST Bar Jalandhar. He is independent Director in Midland Microfin Limited and Exclusive Leasing and Financial Services Private Limited.

06597596	Ms. Aditi Kapur	Woman Independent Director	<p>Ms. Aditi Kapur Arora, is a qualified Company Secretary and a Law Graduate. She is also a Six Sigma Black Belt certified. She is also a Senior Associate in Kapur Law Firm, a leading civil law firm of Kapurthala established since 1925 and a Senior Associate in M/s Arora and Associates, a leading multi-disciplinary law firm based at Jalandhar. Her expertise includes corporate laws, management consultancy and BPR solutions. She has been handling independently legal matters of the reputed organizations in the region including Consumer Litigation, Arbitration Matters, property disputes, banking litigation, and revenue-related cases etc.</p>
09179500	Mr. Meghal Gupta	Non-Executive Director	<p>Mr. Meghal Gupta is an Engineer by qualification with extensive experience in the NBFC and financial services sector. He is the promoter of Hamco Ispat Private Limited, a well-established entity engaged in the manufacturing and export of a wide range of industrial tools.</p> <p>He has demonstrated strong multi-sector leadership by successfully leading ventures across financial services, electric mobility, hand tool manufacturing, and AI-driven solutions. He possesses deep expertise in fund arrangement, credit assessment, and financial discipline, with a consistent focus on building scalable and sustainable business models across diverse verticals.</p> <p>He is known for his relationship-driven approach to growth, supported by a wide and trusted professional network. His ability to foster strategic partnerships, drive sales expansion, and maintain strong customer relationships has contributed significantly to business success. Additionally, his practical and structured approach to customer evaluation and debt recovery ensures operational efficiency and a healthy financial ecosystem. His professional journey is complemented by his strong personal values of discipline, integrity, and perseverance. He is a national-level participant in Judo and Yoga, and a state-level athlete in Swimming and Roller Skating, he brings focus, resilience, and a competitive spirit into his work. He is widely regarded for his commitment to transparency, honouring obligations, and creating long-term value built on trust and consistency.</p>

10910371	Mr. Sunil Kumar Mehta	Independent Director-	<p>With over three decades of extensive experience in the finance domain, he has held key leadership positions at Coal India Limited. He has led multiple functional areas, including Central Accounts, Treasury, Taxation, Cost &amp; Budgeting, Bills &amp; Establishment, Internal Audit, IPO/OFS, and Company Secretariat functions. Additionally, he has played a significant role in marketing and sales, particularly in coal pricing strategies, contributing to the organization's revenue optimization.</p> <p>He has been actively involved in tendering, diversification initiatives, and renewable energy projects, demonstrating his strategic insight into business expansion and sustainability. His expertise extends to wage negotiations, CMPF investments, and participation in the digitization of finance functions in ERP, ensuring operational efficiency and transparency.</p> <p>A key contribution includes the implementation of OBR/Stripping activities accounting in compliance with IndAS, in collaboration with the Accounting Standards Board (ASB) of ICAI, reinforcing financial accuracy and adherence to regulatory standards.</p> <p>He served as Chief Financial Officer of Coal India Limited from January 1, 2022 to February 12, 2024, overseeing financial strategy, risk management, and corporate governance. He also held the position of Director (Finance) at Coal India Africana Ltd, contributing to international financial operations. His expertise extends to ERP-driven digitisation, wage negotiations, CMPF investments, and implementation of Ind AS-compliant accounting practices.</p> <p>He has actively participated in Board and Committee proceedings, strengthening governance and risk oversight. His professional contributions include association with committees of the Institute of Chartered Accountants of India (ICAI), authorship of the Finance Manual of Coal India (2023), and a Technical Guide on Internal Audit for the Coal Industry.</p>
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			<p>He has been recognised with several accolades, including Best HOD of Coal India (2022–23) and the Excellence Award of Coal India (2024), and has served on the CII CFO Committee. He currently serves as an Independent Director on the Boards of Mahindra MSTC Recycling Pvt. Ltd. and ICA Edu Skills Pvt. Ltd.</p> <p>Beyond his professional achievements, he actively contributes to social initiatives including CSR activities, tree plantation drives, blood donation camps, and promotion of sports.</p>
07553217	Mr. Kumar Shalya Gupta	Managing Director and CEO	<p>Mr. Kumar Shalya Gupta is a dynamic leader in India’s financial services sector, currently serving as the MD and Chief Executive Officer of Credifin Limited. With a vision to “Build Bharat” through financial inclusion and technological innovation, he has spearheaded initiatives that have positioned Credifin as a progressive, growth-driven NBFC.</p> <p>With over 15 years of expertise in Corporate Finance, Mr. Kumar Shalya Gupta experience spans Treasury Management, Regulatory Compliances, Capital Structuring, and Credit Risk. He has demonstrated exceptional skills in Business Process Re-engineering and Management across both NBFC and non-NBFC enterprises. Additionally, he has played a pivotal role in NBFC lender and borrower management, contributing significantly to institutional success.</p> <p>Since joining the company in 2022, Mr. Kumar Shalya Gupta has been instrumental in developing and implementing strategies to drive growth and profitability, while ensuring technology was leveraged effectively to improve operational efficiency and customer experience. He also spearheaded the development of a comprehensive credit risk management framework that enabled the company to identify, monitor, and manage risks more efficiently. Under his leadership, the company’s AUM expanded to ₹423.51 Cr.+ as of March 26.</p> <p>Mr. Kumar Shalya Gupta deep exposure to technology and its transformative potential has been instrumental in digitizing Credifin’s operations. He built a proficient team of developers led by a CTO, enabling advancements across sourcing, credit, collections, and operations. Notably, he pioneered online internal audits, a first-of-its-kind initiative in the NBFC sector, underscoring his commitment to productivity, efficiency, and profitability.</p>

			<p>He is widely recognized for his contributions to EV financing, entrepreneurship support, and digital transformation in the NBFC space. His work has been featured in The Economic Times, India Infoline, and SME Street, and he has earned accolades including the Times 40 Under 40 honor.</p> <p>A sought-after thought leader and keynote speaker, Mr. Kumar Shalya Gupta has addressed key industry events such as the ICSI Punjab State Conference 2024 and the 19th NBFC &amp; Fintech Conclave 2025, where he championed tech-driven governance and customer-centric innovation.</p> <p>His leadership mantra—“<i>Ideation is not innovation. Execution is.</i>”—reflects his results-driven approach and unwavering commitment to impactful transformation in India’s NBFC landscape.</p>
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**# Mr. Chandan Chugh was associated as Non-Executive Director of the Company up to September 30, 2025.**

## 21.2 Appointment/ Re-appointment/ Cessation of Directors

During the year 2025-26, following changes took place in the composition of Board of Directors of your Company:

### i. Re-appointment of Director

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held over May 05, 2026, approved:-

- **Re-appointment of Mr. Vijay Kumar Sareen (DIN: 07978240) as Whole Time Director**

Re-appointment of Mr. Vijay Kumar Sareen (DIN: 07978240) as Whole-Time Director for a further period of 5 years with effect from May 06, 2026 to May 05, 2031 subject to the approval of the shareholders of the Company.

- **Re-appointment of Ms. Aditi Kapur (DIN: 06597596) as a Non-Executive Independent Director**

Re-appointment of Ms. Aditi Kapur (DIN: 06597596) as Non-Executive Independent Director for a further period of 5 years with effect from June 26, 2026 to June 25, 2031, subject to the approval of the shareholders of the Company.

- **Re-appointment of Mr. Meghal Gupta (DIN: 09179500) as a Non-Executive Director**

*Re-appointment of Mr. Meghal Gupta (DIN: 09179500) as a Non-Executive Director* pursuant to the provisions of Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a term of Five consecutive years.

- ii. **Cessation of Directors and KMP**

- During the year, Mr. Chandan Chugh (DIN: 01519390) resigned from the position of Director w.e.f. September 30, 2025 due to personal reasons. The Board of Directors place on record their deep appreciation for the wisdom, knowledge and guidance provided by Ms. Chandan Chugh during her tenure.
- Ms. Shikha Kapoor, Company Secretary and Compliance Officer of the Company resigned from the services of the Company w.e.f. November 11, 2025. The Board places on record its sincere appreciation for her hard work during her tenure as Company Secretary of the Company.

- iii. **Retire by Rotation and subsequent reappointment**

Mr. Vijay Kumar Sareen (DIN: 07978240) was re-appointed as Director in the Annual General Meeting held on September 19, 2025, who was liable to retire by rotation.

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Meghal Gupta (DIN: 09179500) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment as the Director of the Company. The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, has recommended his re-appointment.

### **21.3 BOARD MEETINGS AND PROCEDURES**

The Notes on Agenda setting out the business to be transacted at the Board Meetings, were sent to each Director pursuant to the applicable provisions of the Companies Act, 2013, Secretarial Standards issued by ICSI and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 before the date of the Board Meeting.

During the financial year 2025-26, 7 (Seven) meetings of the Board of Directors were held i.e. on April 25, 2025, August 04, 2025, September 30, 2025, November 11, 2025, December 24, 2025, February 03, 2026 and February 07, 2026. The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings. Details of the Board of Directors and Board meetings held during the year, their attendance etc. are provided in the 'Corporate Governance Report', forms a part of this Report.

## MINUTES OF BOARD/COMMITTEE MEETINGS

Minutes of proceedings of each Board and Committee meetings are recorded and draft minutes are circulated to Board/Committee members for their comments and/or confirmation within 15 days from the date of the meeting. The inputs, if any, of the Board & Committee Members are duly incorporated in the minutes after which these are entered in the minute's book within 30 days from the date of meeting.

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following were the KMPs of the Company as on March 31, 2026.

DIN/PAN	Name	Designation
07978240	Mr. Vijay Kumar Sareen	Whole Time Director
07553217	Mr. Kumar Shalya Gupta	Managing Director and Chief Executive Officer (CEO)
ADGPB1123N	Mr. Kuldip Bhandari	Chief Financial Officer (CFO)
AWZPA2856R	Ms. Manika Arora	Company Secretary and Compliance Officer

*# During the year Ms. Shikha Kapoor, Company Secretary and Compliance Officer of the Company resigned from the services of the Company w.e.f. November 11, 2025. Consequent to Ms. Shikha Kapoor resignation, the Board has appointed Ms. Manika Arora as the Company Secretary, Key Managerial Personnel and Compliance Officer of the Company with effect from 17th November, 2025.*

## MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was convened on February 03, 2026, without the presence of Non-Independent Directors and members of the management. All Independent Directors were in attendance.

During the meeting, the following key matters were addressed:

- (i) Review of the performance of the Non-Independent Directors and the Board as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, incorporating feedback from Executive Directors and Non-Executive Directors;
- (iii) Assessment of the quality, quantity, and timeliness of information flow between the Company's management and the Board, ensuring the Board receives necessary information to effectively discharge its duties.

## **CONFIRMATION/ STATEMENT/ DECLARATION BY INDEPENDENT DIRECTOR**

Pursuant to the provisions of Section 149(6) of the Companies Act, 2013, the Independent Directors of the Company have submitted declarations affirming that each of them meets the eligibility criteria for independence as specified under Section 149(6) of the Act, the Rules framed thereunder, and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in circumstances that may affect the status of any Independent Director, and the Board is satisfied with their integrity, expertise, and experience, including proficiency requirements as outlined under Section 150(1) of the Companies Act, 2013, and the applicable rules.

Further, pursuant to Section 150 of the Companies Act, 2013, read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered themselves in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

### **22. FAMILIARISATION PROGRAMME**

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has established a structured system to familiarize its Independent Directors with the Company's business, financial products, industry landscape, and business model. In addition to the initial orientation, the Company provides continuous updates to Independent Directors regarding ongoing developments, significant regulatory changes, and other relevant matters through Board and Committee meetings as well as dedicated familiarization programmes. During the financial year 2025-26, the Company conducted 1 such programme/meeting, with Independent Directors dedicating between 1 to 2 hours. To date, a cumulative total of 8 programmes/meetings have been conducted, each with a similar time commitment from the Independent Directors. In compliance with Regulation 46 of the Listing Regulations, details of the Familiarization Programme are made available on the Company's website at the following link: <https://www.credif.in/uploads/disclosure-under-regulation-46-sebi/familirisation-programme.pdf>

### **23. CODE FOR PREVENTION OF INSIDER- TRADING PRACTICES**

The Board of Directors of the Company have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The said Code has been posted on the Website of the Company [www.credif.in](http://www.credif.in). Further, the Board has also adopted the Code of Conduct to Regulate, Monitor and Report of Trading by Designated Persons and Their Immediate Relatives in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider trading Code of the company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The said codes were duly adhered to during the year under review.

## 24. STATUTORY COMMITTEES OF DIRECTORS

The Company has several committees which have been established as a part of best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Company has following Committees of the Board as on March 31, 2026:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders' Relationship Committee
- iv) Risk Management Committee
- v) Asset Liability Management Committee
- vi) Board Management Committee
- vii) IT Strategy Committee
- viii) Special Committee of the Board for Monitoring and Follow up cases of Fraud

Details of the Committees, along with their composition, charters and meetings held during the year, are provided in the 'Corporate Governance Report', forms a part of this Report. During the financial year 2025-26, the Board has accepted all the recommendations of its Committees. The details on the terms of reference of the Committee are placed at website [www.credif.in](http://www.credif.in).

## 25. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION OF DIRECTORS KEY MANAGERIAL PERSONNEL AND EMPLOYEES

### A. Background and Objectives:-

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("the Act") and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, requires the Nomination and Remuneration Committee ("NRC") to formulate a policy relating to the remuneration of the Directors, SMP/ KMPs and other employees of the Company and recommend the same for approval of the Board. Further as per requirements of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025, the Company is required to put in place a Board approved compensation policy. Further, Section 134 of the Act stipulates that the Board's Report is required to include a statement on the Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive

attributes, independence of director and remuneration for KMPs and other employees (“the Policy”). In view of the aforesaid, the Board has, based on the recommendation of the NRC of the Company, approved the Policy which is available on the website of the Company at <https://www.credif.in>

This policy governs the appointment and fixation of remuneration of Directors, Key Managerial Personnel, and other senior employees of the Company, as applicable. The Nomination and Remuneration Committee has also established criteria for determining the qualifications, positive attributes, and independence of Directors. Details of the Committee, along with their composition, charters and meetings held during the year, are provided in the ‘Corporate Governance Report’, forms a part of this Report.

## **26. CRITERIA FOR PERFORMANCE EVALUATION OF BOARD, IT’S COMMITTEES AND OF INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, and the applicable Rules as amended from time to time, the Board has conducted an annual performance evaluation covering its own functioning, the effectiveness of its Committees, and the performance of individual Directors, including Independent Directors. The Nomination and Remuneration Committee assisted the Board in this evaluation process. Feedback was obtained from Directors on multiple parameters, including:

- Independent Directors’ review of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the Chairman’s performance;
- Inputs from Committee members on key governance and compliance areas;
- Degree of fulfillment of key responsibilities towards stakeholders;
- Quality of relationships between Board Members and Management;
- Adequacy of the composition of the Board and its Committees;
- Assessment of responsibilities, execution, and performance of specific duties and obligations.

The Company’s performance evaluation framework comprises:

- a. The Nomination and Remuneration Committee approves the evaluation framework and reviews the performance of individual Directors and the Board as a whole;
- b. The Board evaluates the performance of Independent Directors, the Board collectively, and its Committees;
- c. Independent Directors evaluate the performance of the Chairman after considering feedback from other Directors, the Board collectively, and Non-Independent Directors;

d. Individual Directors conduct self-evaluations to reflect on their own performance.

This structured evaluation process ensures continuous improvement in governance, accountability, and Board effectiveness.

## **27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has adopted a Vigil Mechanism Framework, under which the Whistle Blower Investigation Committee has been set up. The objective of the framework is to establish a redressal forum, which addresses all concerns raised on questionable practices and through which all the stakeholders such as Employees, Directors and service providers (agency, vendor, contractor or any outsourced partner) can raise actual or suspected violations. The Vigil Mechanism Framework provides for adequate safeguards against victimization of the persons who use such mechanism and make provisions for direct access to chairman of AC. The effectiveness of the vigil mechanism is regularly reviewed by the AC, which ensures that all grievances are handled promptly and judiciously. The AC's oversight ensures that the framework is accessible to all stakeholders and that it aligns with best practices. Necessary details pertaining to the framework are disclosed in the Corporate Governance Report. The Whistle Blower Policy is accessible on the Company's website at the following link: <https://www.credif.in/our-policies>

### **Name and Address of the Whistle and Ethics Officer:**

Mr. Kuldeep Bhandari, CFO  
Email: [compliance@credif.in](mailto:compliance@credif.in)

The confidentiality of those reporting violations is strictly maintained, and no discriminatory practices are tolerated against whistleblowers. During the financial year under review, the Company did not receive any complaints under this mechanism.

## **28. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has constituted a Risk Management Committee ("RMC") in terms of the requirements of Regulation 21 of the SEBI Listing Regulations and RBI regulations and has also adopted an Risk Management Policy. The details are covered as part of the Corporate Governance Report. The Company has a risk management framework and Board members are informed about risk assessment and minimization procedures and periodical review to ensure management controls risk by means of a properly designed framework. The AC and the Board are kept apprised of the proceedings of the meetings of the RMC. The Company, as it advances towards its business

objectives and goals, is often subjected to various risks. Credit risk, market risk, liquidity risk, human capital risk, cash management risk, compliance risk and interest rate risk are some of the risks that your Company is exposed to and details of the same are covered in the Management Discussion and Analysis section of the Report.

## 29. HUMAN RESOURCE DEVELOPMENT

### 29.1 Human Resources

The Company has given a detailed note under Management Discussion and Analysis Report. The Company had 509 permanent employees on its rolls as on March 31, 2026.

### 29.2 Particulars of Employees and Related Disclosures

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company has been appended as **Annexure A** to the Board's Report. In terms of second proviso to Section 136 of the Act, the Report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Board of Directors affirms that the remuneration paid to the employees of the Company is as per the policy on Directors' appointment and remuneration/ compensation for Directors, Senior Management Personnel, Key Managerial Personnel and other employees and is in accordance with the requirements of the Act and SEBI Listing Regulations and none of the employees listed in the said Annexure are related to any Directors of the Company.

### 29.3 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Directors do hereby state in terms of Rule 8(5)(x) of the Companies (Accounts) Rules, 2014 that the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 (14 of 2013) and has adopted a policy for prevention of Sexual Harassment of Women at workplace. During the year under review, the Company has not received any complaint of harassment. As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company follows calendar year for annual filling with statutory authority and as per the said annual return filed by the Company on January 29, 2026 with the prescribed Authority, no complaints related to sexual harassment were raised in the calendar year 2025. Accordingly, the details required as per Rule 8(5)(x) are given below:-

- a. Number of complaints filed during the financial year: 1
- b. Number of complaints disposed of during the financial year: 1
- c. Number of complaints pending as on end of the financial year: Nil

#### **29.4 Maternity Benefit provided by the Company under Maternity Benefit Act, 1961**

Pursuant to Clause (xiii) of sub-rule (5) of Rule 8 of the Companies (Accounts) Rules, 2014, the Board of Directors hereby confirms that the Company has complied with the provisions of the Maternity Benefit Act, 1961 during the year under review, including the provision of crèche facility at the prescribed locations, where applicable. The Company has taken adequate measures to ensure a safe and supportive working environment for women employees in accordance with the aforesaid Act.

#### **29.5- Employee Well-being and Support**

The Company remains committed to fostering a healthy, inclusive and motivating work environment by prioritising the overall well-being and development of its employees. It has implemented employee-friendly initiatives, including women-centric policies such as extended leave benefits, flexible work arrangements and work-from-home options, to promote work-life balance and employee welfare.

Further, through its Employee Welfare Scheme, the Company provides structured support for healthcare, education, financial assistance and other welfare initiatives for employees and their families. The Company also undertakes various employee engagement, learning and motivational programmes aimed at enhancing professional development, encouraging continuous learning, recognising performance and creating a positive and inspiring workplace culture.

### **30. DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES**

Pursuant to Section 67(3) of the Companies Act, 2013, read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, the Company does not have any scheme involving the provision of money for the purchase of its own shares by employees or trustees for the benefit of employees. Accordingly, no disclosure in this regard is required to be included in the Report.

### **31. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

There are no applications or proceedings under Insolvency and Bankruptcy Code, 2016 in relation to the Company and therefore, information as required under Rule 8(5)(xi) of the Companies (Accounts) Rules, 2014 for the year under review is Nil.

### **32. 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**

There was no one time settlement with any Bank or Financial Institution by the Company during the year under review and as such, information required under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 is Nil.

### **33. STATUTORY DISCLOSURES**

#### **33.1 Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

#### **33.2 Significant and material orders passed by regulators or courts or tribunals impacting the going concern status and operations of the Company**

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

#### **33.3 Disclosure pertaining to Consolidated Financial Accounts under section 129(3) of the Companies Act, 2013**

The Company has no subsidiary or associate companies, thus, the provisions of Section 129(3) of the Companies Act, 2013 are not applicable to the Company.

#### **33.4 Change in the nature of business**

There was no change in the nature of business of the Company in the financial year ended on March 31, 2026. The Company is determined to work efficiently for its growth.

#### **33.5 Issue of equity shares with differential rights, sweat equity, ESOP etc.**

The Company has not issued any equity shares with differential rights, Sweat Equity, ESOP etc. during the financial year ended on March 31, 2026.

#### **33.6 Unclaimed Dividend and shares transferred to Investor Education and Protection Fund Authority ("IEPF")**

Pursuant to the applicable provisions of the Act, Investor Education and Protection Fund

Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred by the Company to the Investor Education and Protection Fund (“IEPF”), constituted by the Central Government. Accordingly, the Company has transferred all unpaid or unclaimed dividends declared for the financial year 2014–2015 to the IEPF.

Further, according to the IEPF Rules, all the shares in respect of which any dividend has not been claimed by the Members for 7 (seven) consecutive years or more shall also be transferred by the Company to the designated Demat Account of the IEPF Authority (“IEPF Account”) within a period of 30 (thirty) days of such shares becoming due to be transferred to the IEPF Account.

### **33.7 Other Disclosures**

#### **a) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON- MANDATORY REQUIREMENTS**

The Company has complied with all mandatory requirements as prescribed under Regulation 27 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). The Company has also adopted certain non-mandatory requirements as prescribed under Regulation 27 read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the same are provided in the Corporate Governance Report forming part of this Annual Report.

#### **b) WEB LINK WHERE POLICY FOR DETERMINING ‘MATERIAL’ SUBSIDIARIES IS DISCLOSED**

The Company does not have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company’s website at the web link <https://www.credif.in/our-policies>

#### **c) WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS**

The Policy on dealing with related party transactions can be accessed at <https://www.credif.in/our-policies>

**d) NAME OF THE COMPANIES WHICH HAS BECOME / CEASED TO BE SUBSIDIARIES / ASSOCIATES OR JOINT VENTURES DURING THE YEAR**

During the Financial Year 2025-26, no Company became or ceased to be the subsidiary or joint venture or wholly owned subsidiary or associate of the Company.

**e) SEPARATE SECTION CONTAINING A REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company doesn't have any subsidiary, associate and joint venture. Therefore, no report in respect of the same is required to be given.

**34. ADDRESS FOR INVESTOR'S CORRESPONDENCE**

For any assistance regarding share transfers, transmissions, change of address, non- receipt of dividend or any address, non- receipt of dividend or any other query relating to shares, please write to:

**Ms. Manika Arora,**  
**Company Secretary**  
**CREDIFIN LIMITED**

Regd. & Corp. Office: 87, Radio Colony,  
Jalandhar-144001, Punjab, INDIA,  
Ph: +9179651-74500;  
Email: [manika@credif.in](mailto:manika@credif.in)

**35. COMPLIANCE WITH REGULATION 34(3) AND PART OF SCHEDULE V OF THE LISTING REGULATIONS**

In accordance with the provisions of Regulation 34(3) and Part F of Schedule V of the SEBI Listing Regulations, the Company will report details relating to unclaimed equity shares as and when such shares are credited to the Demat Suspense Account maintained by the Company.

**36. DISCLOSURES PURSUANT TO RBI MASTER DIRECTIONS**

The Company has complied with all applicable provisions and made the requisite disclosures in accordance with the regulatory framework prescribed by the Reserve Bank of India for Non-Banking Financial Companies, as applicable. Further, the Company complies with the provisions of the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and other applicable directions issued by the Reserve Bank of India from time to time.

### 37. VOLUNTARY REVISION

The Company has duly complied with all the provisions of Sections 129 and 134 of the Act, therefore, no voluntary revision of financial statements and Director's Board Report was done by the Company during the Financial Year.

### 38. CUSTOMER RELATION

**38.1 Customer Service:** At Credifin, we are committed to fostering a culture of customer centricity by actively understanding customer needs and continuously improving our processes to provide a smooth and hassle-free experience across the entire loan lifecycle, from origination to closure. We endeavour to reduce turnaround time for loan disbursements while maintaining minimal documentation requirements, thereby ensuring efficient and timely service delivery. Further, we have strengthened and diversified our communication and service channels to keep customers adequately informed and to facilitate prompt resolution of their queries, concerns, and service requests.

**38.2 Fair Practice Code:** The Company remains fully committed to compliance with the Fair Practices Code prescribed by the Reserve Bank of India and applicable to all Non-Banking Financial Companies. The Code lays down broad principles relating to transparent disclosure of loan terms and conditions, fair treatment of customers, and adoption of non-coercive recovery practices.

In line with the Fair Practices Code, the Company has established an effective Grievance Redressal Mechanism aimed at ensuring high standards of customer service. The Company has also adopted a Whistle Blower Policy/Vigil Mechanism to enable employees to report any actual or suspected violation of the Company's values, ethical standards, or Code of Conduct. During the financial year 2025-26, no cases of violation of the Code of Conduct were reported.

Further, the Company follows Know Your Customer (KYC) norms as an essential component of its risk management and compliance framework. The Fair Practices Code has been made available to stakeholders in both English and vernacular languages on the Company's website.

<https://credif.in/uploads/policies/credifin-fair-practice-code-policy.pdf>

**38.3 Customer Grievance Redressal:** The Company has established a robust Customer Grievance Redressal Mechanism, providing customers with an accessible and transparent platform for lodging complaints and ensures their timely, fair, and effective resolution. The policy is designed to reduce the incidence of complaints through efficient service delivery, continuous monitoring, and periodic review of customer feedback and grievance trend.

#### **38.4 Grievance Redressal at Branch Level:**

Suggestion cum complaint boxes have been placed at all branch locations, serving as the primary point of contact for customers to raise queries or complaints. Recognizing that many customers come from vulnerable backgrounds or have low literacy levels, the Company emphasizes face-to-face interactions at branches, which are preferred over remote helpdesks for effective communication and resolution.

#### **38.5 Grievance Redressal Officer (GRO):**

The Company has appointed a Grievance Redressal Officer located at the Head Office in Jalandhar. The Grievance Redressal Officer is responsible for monitoring customer complaints across all levels and ensuring their timely and effective resolution through Customer Care Representatives, branch personnel, and Help Desks. Complaints received from customers are tracked, analysed, and resolved within the timelines prescribed under the applicable regulatory framework.

**38.6 Resolution of Grievances:** The Grievance Redressal Officer (“GRO”) appointed by the Company is responsible for overseeing the customer grievance redressal framework and ensuring that complaints received from customers are resolved in a fair, transparent, and time-bound manner. The GRO is entrusted with monitoring the receipt, acknowledgement, tracking, escalation, and closure of customer complaints, including complaints received through branch offices, digital channels, customer service platforms, and regulatory portals. The Company has established a structured grievance redressal mechanism for periodic review of complaints to identify root causes, recurring issues, and reasons for escalations, and to implement appropriate corrective and preventive actions.

#### **38.7 Staff and Customer Education on Code of Conduct and Grievance Redressal Mechanism**

Given that the majority of our customer base resides in rural areas, the Company has implemented a mechanism designed to establish direct and clear communication with customers, keeping in mind

their educational, social, and economic backgrounds. We recognize that such customers can be more vulnerable to misinformation and miscommunication. To address this, Company has adopted a Board-approved Grievance Redressal Mechanism to ensure prompt, fair, and effective resolution of customer complaints, concerns, and service-related issues. To improve awareness and accessibility, the Company prominently displays its Fair Practices Code, grievance redressal details, customer rights information, and Code of Conduct at all branches and customer service locations in English as well as vernacular languages commonly understood by customers.

### 39. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review, as stipulated under Part B of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as **Annexure III**, forming part of this Report.

### 40. CODE OF CONDUCT

The Company periodically reviews its 'Code of Conduct' (COC) to ensure it remains aligned with the best interests of the Company and evolving regulatory standards. Assessment and compliance monitoring of the Code is conducted by a proficient Principal Officer, who acts as an independent agent of the Company to uphold integrity and accountability. The Code of Conduct applicable to the Board of Directors and Senior Management Personnel is also uploaded on the Company's website and can be accessed at the following link: <https://www.credif.in/our-policies>

### 41. NON-PERFORMING ASSETS

The Company has made provisions for Non-Performing Assets (NPAs) in accordance with the guidelines prescribed by the Reserve Bank of India (RBI). To manage and reduce NPAs effectively, the Company undertakes continuous loan appraisal, timely recovery efforts, and follows a prudent write-off policy. A transparent and structured recovery policy has been established to maintain consistent recovery actions and facilitate the upgradation of overdue accounts. As of March 31, 2026, the Company has made provisions amounting to INR 497.22 Lakhs, in compliance with RBI norms.

### 42. DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, and based on the information and explanations obtained, the Directors hereby state pursuant to Section 134(3)(c) of the Companies Act, 2013, that:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been duly followed, and there have been no material departures;
- b. Appropriate accounting policies have been selected and consistently applied, and judgments and estimates made are reasonable and prudent to present a true and fair view of the Company's state of affairs as of March 31, 2026, and the profit and loss for the financial year ended on that date;

c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, to safeguard the Company's assets and to prevent and detect frauds and other irregularities;

d. The annual accounts for the financial year ended March 31, 2026, have been prepared on a going concern basis;

e. The Company has established internal financial controls to be followed and such controls are adequate and have been operating effectively;

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

#### **43. ACKNOWLEDGEMENT**

The Directors express their sincere gratitude to the Reserve Bank of India, Securities and Exchange Board of India, Metropolitan Stock Exchange of India (MSEI), Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, and other government and regulatory authorities for their continued guidance and support.

The Directors also extend their heartfelt appreciation to the Company's lenders, financial institutions, and bankers for their unwavering cooperation.

We place on record our sincere thanks to all stakeholders for their trust and confidence in the Company.

Finally, the Directors commend the dedication and commitment demonstrated by the employees at all levels, whose outstanding performance has been instrumental in navigating through challenging times.

**For & On Behalf of the Board of Directors**

**M/s CREDIFIN LIMITED**

(Formerly Known as PHF Leasing Limited)

**Place: Jalandhar**  
**Date: May 05, 2026**

**Sd/-**

**Kumar Shalya Gupta**

**MD and CEO**

**DIN:07553217**

**Add: H. No. 53-A, Model  
Town, Jalandhar-I-  
144003, Punjab, India**

**Sd/-**

**Vijay Kumar Sareen**

**Whole Time Director**

**DIN:07978240**

**Add: 20, 21, Surya Vihar,  
Near DAV College, Surya  
Vihar, Jalandhar-144008,  
Punjab, India**

**Annexure-A**

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

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2025- 2026, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2025- 2026 are as under:-

S. No.	Name Director / KMP	Designation	Remuneration of Director /KMP for the Financial Year 2025-26 (in Rs.)	Remuneration of Director/ KMP for the Financial Year 2024-25 (in Rs.)	% increase in Remuneration in the Financial Year 2025-26	% increase in Remuneration in the Financial Year 2024-25	Ratio of Remuneration of each Director to median remuneration	Directors Sitting Fees/ Professional Fees for the Financial Year 2025-26
1	Kumar Shalya Gupta	Managing Director and Chief Executive Officer	1,13,51,680	82,18,000	38.13%	102%	45.60	-
2.	Vijay Kumar Sareen	Whole Time Director	19,44,000	16,07,000	20.97%	24.00%	7.81	-
3.	Ashwani Kumar Jindal	Independent Director	-	-	-	-	-	1,30,000
5.	Aditi Kapur	Independent Director	-	-	-	-	-	1,10,000
6.	Meghal Gupt	Non-Executive	-	-	-	-	-	13,20,000

	a	Director						
7.	Chandan Chugh	Non-Executive Director	-	-	-	-	-	1,80,000
8.	Sunil Kumar Mehta	Independent Director	-	-	-	-	-	2,65,000
9.	Kuldip Bhandari	Chief Financial Officer	13,04,400	10,36,000	25.91%	6.40%	-	-
10.	Manika Arora	Company Secretary	1,88,316	0	N.A	N.A.	-	-
11.	Shikha Kapoor	Company Secretary	2,74,259	5,03,177	(45.49%)	0.39%	-	-

\* Mr. Chandan Chugh (DIN: 01519390) was resigned as a Non-Executive Director of the Company w.e.f. September 30, 2025

\* Mr. Kumar Shalya Gupta (DIN: 07553217) was appointed as Managing Director and CEO of the Company w.e.f. August 04, 2025

\* Mr. Sunil Kumar Mehta was appointed as a Non-Executive Director in independent capacity of the Company w.e.f. March 6, 2025

# Ms. Shikha Kapoor resigned from the post of the Company Secretary w.e.f. November 11, 2025 and Ms. Manika Arora was appointed as Company Secretary w.e.f. November 17, 2025.

Note: - The information disclosed above relates to complete financial year.

**I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:**

The median remuneration of employees of the Company during the Financial Year was Rs. 2,48,916 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

**II. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary is provided in the above table.

**III. The percentage increase in the median remuneration of employees in the Financial Year:**

In the Financial Year, there was an increase of 47.46% in the median remuneration of employees.

**IV. The number of permanent employees on the rolls of the Company:**

There were 509 permanent employees on the rolls of the Company as on 31st March, 2026.

**V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Particulars	FY. 2025-26	F.Y. 2024-25
Increase in Salary of employees other than managerial personnel	44.69%	52.62%
Increase in Managerial Remuneration	105.53%	98.82%

**VI. Affirmation that the remuneration is as per the remuneration policy of the company**

It is hereby affirmed that remuneration to Key Managerial Personnel and Employees of the Company are in line with the Remuneration Policy of the Company.

**VII. Particulars of Remuneration**

Statement of Particulars of Employees pursuant to the provisions of Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended 31st March, 2026:

S. No.	Name	Designation	Remuneration received	Nature of Employment	Qualification and Experience	Date of commencement of employment	Age	Last employment held before joining this company
1	Kumar Shalya Gupta	Managing Director and Chief Executive Officer	1,13,51,680	Permanent	Law Graduate, Diploma in Management (LSE)	10.02.2022	34	DSB law group

The percentage of Equity Shares held by Kumar Shalya Gupta in the Company is 2.07% (637800 Shares).

Relationship with other Directors- NIL

**Annexure I**

**Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2026**

To  
The Board of Directors,  
Credifin Limited,  
Jalandhar

We, Harsh Goyal & Associates, Practicing Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by Credifin Limited. ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended 31<sup>st</sup> March, 2026 ("Review Period") in respect of compliance with the provisions of:
- (e) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (f) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there- under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued there under, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable as there was no reportable event during the financial year under review)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable as there was no reportable event during the financial year under review)

- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not Applicable as there was no reportable event during the financial year under review)
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable as there was no reportable event during the financial year under review)
- (j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; (Not Applicable as there was no reportable event during the financial year under review)
- (k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars/ guidelines issued thereunder

And based on the above examination, we hereby report that, during the Review Period the compliance status of the listed entity is appended below;

Sr. No.	Particulars	Compliance status (Yes/ No/NA)	Observation Remarks by PCS
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI)	YES	-
2.	<b>Adoption and timely updation of the Policies:</b> All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entity.  All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	YES  YES	-  -
3.	<b>Maintenance and disclosures on Website:</b> The listed entity is maintaining a functional website.	YES  YES	-  -

	<p>Timely dissemination of the documents/information under a separate section on the website.</p> <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</p>	YES	-
4.	<p><b>Disqualification of Director:</b> None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013</p>	YES	-
5.	<p><b>To examine details related to Subsidiaries of listed entities:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Requirements with respect to disclosure of material as well as other subsidiaries.</p>	NA	The company does not have any subsidiary.
6.	<p><b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	YES	-
7.	<p><b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	YES	-
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions.</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently</p>	YES  NA	-  Not Any

	approved/ratified/rejected by the Audit committee		
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	-
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	-
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No Actions taken against the listed entity/its promoters/ Directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	YES	-
12.	<b>Resignation of statutory auditors from the listed entity or its material subsidiaries:</b> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	No resignation during the year
13..	<b>Additional Non-compliance, if any</b>	NIL	

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued there under.
- (b) The listed entity was not required to take any actions to comply with the observations as there were no observations in the previous report.
- (c) We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations – NA.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For Harsh Goyal & Associates  
Company Secretaries**

Sd/-  
(Harsh Kumar Goyal)  
Prop.

FCS 3314  
C P No.:2802

Date: 05/05/2026  
Place: Ludhiana

UDIN: F003314H000201611

**SECRETARIAL AUDIT REPORT**

To,  
The Members,  
Credifin Limited  
Jalandhar

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Credifin Limited (hereinafter referred to as "Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -
  - (a) 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;
  - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (vi) The following regulations and guidelines of SEBI are not applicable to the Company during the period under review i.e. financial year ending 31.03.2026.
  - (a) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

We have also examined the compliance of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof on test check basis, the company has complied with the following laws applicable specifically to the company:

- (a) Reserve Bank of India Act, 1934 and directions, regulations and circulars issued therein relating to Non-Banking Finance Companies – Investment and Credit Company.
- (b) Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025.
- (c) Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2024.

**We further report that:**

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director 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.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Harsh Goyal & Associates  
Company Secretaries**

Sd/-  
(Harsh Kumar Goyal)  
Prop.  
FCS 3314  
C P No.:2802

Place: Ludhiana

Date: 05.05.2026

UDIN: F003314H000281746

*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,  
Credifin Limited  
Jalandhar

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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 Harsh Goyal & Associates  
Company Secretaries**

Sd/-  
(Harsh Kumar Goyal)  
Prop.  
FCS 3314  
C P No.2802

Place: Ludhiana  
Date: 05.05.2026

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CREDIFIN LIMITED (formerly known as PHF LEASING LIMITED)**

**Report on the Audit of the Financial Statements**

**OPINION**

We have audited the accompanying financial statements of **CREDIFIN Limited** (formerly known as PHF Leasing Limited) (the "Company") for the year ended 31<sup>st</sup> March, 2026, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2026 and its profit, 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 financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**KEY AUDIT MATTERS**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended 31<sup>st</sup> March, 2026. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matter to be communicated in our Report.

Key Audit Matter	Auditor's Response
<p><b>Impairment Loss Allowance on loans and advances to customers (Reference to Note 7 &amp; 26 read with Material Accounting Policies Note 2.4)</b></p> <p><b>Net charge - INR 178.45 Lakhs for the year ended 31<sup>st</sup> March, 2026</b></p> <p><b>Provision - INR 497.22 Lakhs as at 31<sup>st</sup> March, 2026</b></p> <p>Recognition and measurement of impairment of loans and advances involve significant management judgement.</p> <p>Reserve Bank of India (Non-Banking Financial Companies - Income Recognition, Asset Classification and Provisioning) Directions, 2025 ("IRAC") prescribe the prudential norms for identification and classification of advances as NPAs.</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECL are:</p> <ul style="list-style-type: none"> <li>• <b>Data inputs</b> - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> <li>• <b>Model estimations</b> - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are</li> </ul>	<p><b>Our key audit procedures included:</b></p> <p><b>Design / controls</b></p> <p>We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the ECL process.</p> <p>Key aspects of our controls testing involved the following:</p> <ul style="list-style-type: none"> <li>• Evaluating the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109 and our business understanding.</li> <li>• Understanding management's updated processes, systems and controls implemented in relation to impairment allowance process.</li> <li>• Testing the controls over validation, implementation, and model monitoring in line with the RBI guidance.</li> <li>• Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models.</li> <li>• Testing the design and operating effectiveness of the key controls over the application of the staging criteria.</li> <li>• Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>• Testing the design and operating effectiveness of the key controls over modification of assets including identification/staging of the modified</li> </ul>

considered the most significant judgmental aspect of the Company's modelling approach.

- **Economic scenarios** – Ind AS 109 requires the Company to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them, including changes to methodology.

The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. Management has made disclosures regarding ECL approach in the credit risk section of the Financial Statements (*Note 37(B)*).

### Disclosures

The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions will also be an area of focus.

asset.

- Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs or data used in assessment and identification of Significant Increase in Credit Risk ('SICR') and staging of the assets.
- Testing management's controls over authorization and calculation of post model adjustments and management overlays.
- Testing management's controls on compliance with Ind AS 109 disclosures related to ECL.
- Testing key controls operating over the information technology in relation to loan impairment management systems, including system access and system change management, program development and computer operations.

### Substantive Tests

Key aspects of our testing included:

- Assessing appropriate application of accounting principles (including criteria for SICR), validating completeness and accuracy of the data and reasonableness of assumptions used in the ECL model / calculations.
- Performing credit reviews on sample basis over loans given to corporate customers.
- Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.
- Performing test of details over calculation of ECL, in relation to the completeness, accuracy and relevance of data.
- Performing analytical procedures to identify possible cases of evergreening of

	<p>loans and tested these on sample basis.</p> <ul style="list-style-type: none"> <li>• Test of details of post model adjustments, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data.</li> </ul> <p><b>Assessing disclosures</b> - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.</p>
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**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The company's management and board of directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis and Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read the Board Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and if required issue a revised Audit report on finance statements.

## **MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS**

The Company's Management and Board of Directors are responsible for the matters stated in sub-section 5 of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder and RBI Guidelines.

This responsibility also includes 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

## **AUDITORS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the year ended 31<sup>st</sup> March, 2026 and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **OTHER MATTERS**

We would like to draw attention to Note No. 17.1 to the Financial Statements, which states that the amount of deposit accepted from erstwhile director is overdue due to non availability of succession certificate.

Our opinion is not modified with respect to this matter.

#### **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 exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable, read with relevant rules issued thereunder.
  - e) On the basis of the written representation received from the Directors as on 31<sup>st</sup> March, 2026, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2026 from being appointed as a Directors 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

- g) With respect to the other matters to be included in the Auditors' 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. Refer Note 39(a) to the Financial Statements.
  - ii) The Company did not have any long- term contracts including derivative contracts, other than those which have already been provided for, for which there were no material foreseeable losses.
  - iii) The Company is not required to transfer any amounts to the Investor Education and Protection Fund by the Company.
  - iv)
    - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 44 to the Financial Statements, 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 44 to the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

c)

Since, the Company has neither paid or declared any dividend during the year nor proposed any dividend for the year, hence, reporting requirement of clause (f) of rule 11 of the Companies (Audit and Auditors) Rules, 2014 are not applicable on the Company.

Based on our examination which included test checks, the company has 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 the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

- h) As required by section 197(16) of the Act, we report that the company has paid remuneration to its directors during the year in accordance with the provisions and limits laid down under section 197 read with schedule V to the act.

**For GSA & Associates LLP**

Chartered Accountants

Firm's Reg. No: 000257N/N500339

Sd/-

**Tanuj Chugh**

(Partner)

M. No.: - 529619

Place: Jalandhar

Date: 05<sup>th</sup> May, 2026**UDIN - 26529619QAZAKV8778**

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date of **CREDIFIN Limited** (formerly known as PHF Leasing Limited))

**AS REQUIRED BY THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020 ("THE ORDER") ISSUED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 143(11) OF THE ACT, WE GIVE IN THE ANNEXURE AS FOLLOWS:-**

- i) In respect of its property, plant and equipment and intangible assets:
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets;  
  
The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a program of physical verification of "Property, plant and equipment, so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to information explanation given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and the records examined by us, the Company does not own any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence, reporting requirement of Clause 3(i)(c) of the Order is not applicable.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- ii) In respect of clause 3(ii), we state that:-
- a) The Company is a financing company, primarily in the business of providing loans to its customers. Accordingly, it does not hold any physical inventories. Thus, the provision of Clause 3(ii)(a) of the Order is not applicable to the Company.
  - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.
- iii) The company has granted secured and unsecured loans to other parties during the year, in respect of which:-
- a) Since the principal business of the Company is to give loans, hence, reporting requirements of Clause 3(iii)(a) of the Order is not applicable to the Company.
  - b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms of all loans provided are not prejudicial to the company's interest.
  - c) According to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest has been stipulated by the Company for all the loans. Further, except for the instances where there are defaults in repayment of principal and/or interest in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards "Ind AS" and the guidelines issued by the Reserve Bank of India "RBI" for Income Recognition and Asset Classification norms, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest. As of 31<sup>st</sup> March, 2026, overdue amount is **INR 3,895.60 Lakhs** which pertains to **17,776** borrowers.
  - d) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has taken reasonable steps for recovery of principal and interest in all cases wherein amount is overdue. As of 31<sup>st</sup> March, 2026, overdue amount for more than 90 days is **INR 740.08 Lakhs** which pertains to **5,829** borrowers.
  - e) Since the principal business of the Company is to give loans, hence, reporting requirements of Clause 3(iii)(e) of the Order is not applicable.

- f) Based on our audit procedure and according to the information and explanation provided 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 during the year. Hence, reporting under Clause 3(iii)(f) of the Order is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loan, guarantees and securities covered under section 185 of the Act. The Company has not made any investment as referred in section 186 (1) of the Act, accordingly other requirements relating to section 186 of the Act do not apply to the Company.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended. Hence, reporting under Clause 3(v) of the Order is not applicable.
- vi) Pursuant to the rules made by the Central Government of India, Company is not required to maintain cost records as specified under Section 148(1) for the business activities carries out by the Company. Hence, reporting under Clause 3(vi) of the Order is not applicable.
- vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
- a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Services Tax, and other material statutory dues, as applicable to the Company, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2026 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there were no statutory dues referred in sub-clause (a) above which have not been deposited on account of any dispute.
- viii) In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) With respect to the loans and borrowing obtained by the Company, we report that:-
- a) In our opinion and according to the information and explanation given to us, the company hasn't defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender except in one case given below:

<b>Nature of Borrowings</b>	<b>Name of Lender</b>	<b>Amount not paid on due date</b>	<b>Whether Principal or Interest</b>	<b>No. of days delay or unpaid</b>	<b>Remarks</b>
Deposits from Director	Shiv Dayal Chugh (including HUF)	Rs. 81.55 Lakhs	Principal & Interest	1,851 Days	Overdue due to non availability of succession certificate

- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

- e) The Company does not have any subsidiaries, associates or joint ventures. Hence, reporting under Clause 3(ix)(e) and (f) of the Order are not applicable.
- x) With respect to Clause 3(x), we state that:-
  - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under Clause 3(x)(a) of the Order is not applicable.
  - b) According to the information and explanations given to us, the Company has not made any preferential allotment/ private placement of shares/ convertible debentures (fully or partly or optionally) during the year and hence reporting under Clause 3(x)(b) of the Order is not applicable.
- xi) With respect to clause 3(xi), we state that:-
  - a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, except for 21 instances of cash embezzlements, committed by employees of the Company, aggregating Rs. 7.73 lakhs, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
  - b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
  - c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no whistle blower complaints has been received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under Clause 3(xii) of the Order is not applicable.

- xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable Indian Accounting Standards.
- xiv) With respect to Clause 3(xiv), we state that:-
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi) With respect to Clause 3(xvi), we state that:-
- a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as a Non -Banking Financial Company and such registration has been obtained by the Company.
- b) During the year, the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the order are not applicable.
- xvii) The Company has neither incurred cash losses during the financial year & nor in the preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) Since, the Company is not meeting threshold specified in section 135(1) of the Act, reporting requirements of Clause 3(xx)(a) and (b) of the Order with respect to Corporate Social Responsibility are not applicable on the Company.

**For GSA & Associates LLP**  
Chartered Accountants  
Firm's Reg. No: 000257N/N500339

Sd/-  
**Tanuj Chugh**  
(Partner)  
M. No.: - 529619  
Place: Jalandhar  
Date: 05<sup>th</sup> May, 2026

**UDIN – 26529619QAZAKV8778**

**ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in clause (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**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 **CREDIFIN Limited** (formerly known as PHF Leasing Limited) as of 31<sup>st</sup> March, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management and the Board of Directors of the Company are 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 (the "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 issued by the ICAI 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, both 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### **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 that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, 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 31<sup>st</sup> March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For GSA & Associates LLP**

Chartered Accountants

Firm's Reg. No: 000257N/N500339

Sd/-

**Tanuj Chugh**

(Partner)

M. No.: - 529619

Place: Jalandhar

Date: 05<sup>th</sup> May, 2026

**UDIN - 26529619QAZAKV8778**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**AN OVERVIEW**

**CREDIFIN Limited (formerly known as PHF Leasing Limited)** is a well-established Non-Banking Financial Company (NBFC) with over three decades of experience in delivering secured financial solutions. Incorporated in 1992 and operating under the regulatory framework of the **Reserve Bank of India**, the Company has built a strong legacy of trust, stability, and customer-centric growth.

A significant milestone in the Company's journey was the induction of strategic equity investors on October 1, 2020, which marked a transformational phase. This transition enabled the Company to accelerate its growth trajectory, diversify its product offerings, and strengthen its operational and governance frameworks.

The Company is primarily engaged in providing **secured lending solutions**, with a strong focus on:

- Loan Against Property (LAP)
- Vehicle Finance (new and pre-owned vehicles, including commercial vehicles)
- Electric Vehicle (EV) Financing (E-rickshaws, E-loaders, and EV two-wheelers)

CREDIFIN continues to position itself as a **diversified financial solutions provider**, catering to the evolving needs of customers across segments. It operates across multiple states, including Punjab, Haryana, Delhi NCR, Himachal Pradesh, Rajasthan, Uttarakhand, Madhya Pradesh, Uttar Pradesh, and Jammu, serving a **diversified customer base** across rural, semi-urban, and urban markets.

With a strong foundation in secured asset financing and a prudent risk management framework, the Company continues to focus on expanding its portfolio, leveraging technology, and enhancing operational efficiency. Backed by its strategic vision and experienced management, CREDIFIN Limited is well-positioned to drive long-term value creation while contributing to inclusive economic development.

**TRANSITION MANAGEMENT STRATEGY: KEY INITIATIVES IMPLEMENTED**

As part of its strategic transformation journey, **CREDIFIN LIMITED** has implemented a comprehensive Transition Management Strategy focused on strengthening governance, expanding business operations, integrating advanced technology, enhancing financial stability, and improving operational efficiency. The key initiatives undertaken are outlined below:

### **1. Strengthening Governance and Capital Base**

The Company has reinforced its governance framework in line with industry best practices and regulatory expectations. It has expanded its capital base through the induction of strategic equity investors possessing strong domain expertise and industry experience. This has also enabled diversification of the shareholder base, thereby reducing financial risk and enhancing long-term stability and resilience.

### **2. Board Strengthening**

The Company has enhanced Board oversight and strategic direction by inducting experienced professionals with diverse backgrounds. The appointment of a Chairman, along with Non-Executive and Independent Directors, has strengthened governance standards, regulatory compliance, and strategic decision-making capabilities.

### **3. Business Expansion and Diversification**

The Company has achieved significant geographical expansion by extending its presence across multiple regions. It has also diversified its product portfolio to cater to evolving customer needs, offering a wide range of financial products including Two-Wheeler and Four-Wheeler Financing, E-Vehicle and Used Car Financing, Secured SME Loans, and Home Improvement Loans. Special focus has been placed on serving first-time homeowners and customers lacking formal income documentation, thereby promoting financial inclusion.

### **4. Technological Integration: Transition to a Tech-Driven NBFC**

Adopting a digital-first approach, the Company has integrated technology across all core operations. Key implementations include Core Financial Solutions (CFS), Loan Origination Systems (LOS), and a complete transition to cloud-based infrastructure to enhance scalability and data security.

### **5. Financial Performance Enhancement**

CREDIFIN Limited has delivered strong growth across key financial metrics, including total assets, Assets Under Management (AUM), revenue, and profitability. The Company has also focused on improving asset quality through effective recovery of stressed assets and the implementation of a streamlined, technology-driven collections framework. The transition to a fully cashless recovery system has further enhanced transparency, operational efficiency, and centralized financial control.

Overall, these strategic initiatives have laid a robust foundation for sustainable growth, improved operational excellence, and long-term value creation.

## **GLOBAL ECONOMIC OVERVIEW**

The global economy, having navigated a period of heightened trade barriers and elevated uncertainty in the previous year, is now confronted with a renewed and significant challenge arising from escalating geopolitical tensions in the Middle East. The ongoing conflict involving regional powers, including Iran, Israel, and the indirect strategic involvement of the United States, has intensified instability across the region.

This development has introduced fresh volatility into global economic conditions, particularly through its impact on crude oil and other commodity prices, inflation expectations, and financial markets. Supply-side disruptions and concerns over energy security have led to fluctuations in oil prices, thereby exerting inflationary pressures on both developed and emerging economies. Additionally, increased risk aversion among global investors has resulted in heightened market volatility and capital flow uncertainties.

In this context, the evolving geopolitical landscape continues to pose downside risks to global growth, while central banks remain cautious in balancing inflation control with economic stability.

According to the latest assessment by the International Monetary Fund, and assuming that the conflict remains limited in duration and scope, global economic growth is projected to moderate to **3.1% in 2026** and **3.2% in 2027**, reflecting a slowdown from recent growth levels.

Global headline inflation is expected to rise modestly in 2026 before resuming its downward trajectory in 2027. Inflation dynamics are expected to remain volatile, with **global inflation rising to around 4.4% in 2026** before easing to **3.7% in 2027**, reflecting the impact of higher commodity prices and supply-side disruptions.

#### **INDIAN ECONOMIC OVERVIEW**

The Indian economy continued to demonstrate **robust growth momentum**, with GDP expanding by approximately **7.3% in 2025**, making it one of the fastest-growing major economies globally. Growth is expected to **moderate to around 6.4% in 2026 and 2027**, reflecting a transition toward sustainable long-term expansion.

On the fiscal front, strong tax buoyancy and controlled revenue expenditure enabled the Government to maintain its focus on capital expenditure. By November 2025, nearly **60% of the budgeted capital expenditure** had been achieved, supporting infrastructure development and crowding in private investment. The fiscal deficit remained on track to meet the FY26 target of **4.4% of GDP**, reflecting continued fiscal consolidation.

Monetary policy remained supportive of growth, with cumulative repo rate cuts of **125 basis points since February 2025**, complemented by liquidity measures that improved credit transmission. The banking sector remained robust, with strengthened balance sheets and non-performing assets at multi-decade lows.

Looking ahead, India's medium-term growth potential is estimated at around **7%**, supported by macroeconomic stability, ongoing structural reforms, digitalisation, and a favourable demographic profile. These factors position India to sustain its growth trajectory while navigating global uncertainties.

## World Economic Outlook Growth Projections

(Real GDP, annual percent change)	ESTIMATE	PROJECTIONS	
	2025	2026	2027
<b>World Output</b>	<b>3.3</b>	<b>3.3</b>	<b>3.2</b>
<b>Advanced Economies</b>	<b>1.7</b>	<b>1.8</b>	<b>1.7</b>
United States	2.1	2.4	2.0
Euro Area	1.4	1.3	1.4
Germany	0.2	1.1	1.5
France	0.8	1.0	1.2
Italy	0.5	0.7	0.7
Spain	2.9	2.3	1.9
Japan	1.1	0.7	0.6
United Kingdom	1.4	1.3	1.5
Canada	1.6	1.6	1.9
Other Advanced Economies	1.8	2.0	2.1
<b>Emerging Market and Developing Economies</b>	<b>4.4</b>	<b>4.2</b>	<b>4.1</b>
Emerging and Developing Asia	5.4	5.0	4.8
China	5.0	4.5	4.0
India	7.3	6.4	6.4
Emerging and Developing Europe	2.0	2.3	2.4
Russia	0.6	0.8	1.0
Latin America and the Caribbean	2.4	2.2	2.7
Brazil	2.5	1.6	2.3
Mexico	0.6	1.5	2.1
Middle East and Central Asia	3.7	3.9	4.0
Saudi Arabia	4.3	4.5	3.6
Sub-Saharan Africa	4.4	4.6	4.6
Nigeria	4.2	4.4	4.1
South Africa	1.3	1.4	1.5
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	4.3	4.1	4.1
Low-Income Developing Countries	4.6	5.1	5.1

Source: IMF, *World Economic Outlook Update*, January 2026

Note: For India, data and projections are presented on a fiscal year (FY) basis, with FY 2025/26 (starting in April 2025) shown in the 2025 column. India's growth projections are 6.3 percent for 2026 and 6.5 percent for 2027 based on calendar year.

INTERNATIONAL MONETARY FUND

IMF.org/pubs

Source: <https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf>  
<https://www.ibef.org/economy/economic-survey-2025-26>  
<https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>

**The Union Budget FY 2026–27** reinforced the government’s commitment to sustainable growth while maintaining fiscal discipline. Capital expenditure was raised to an unprecedented INR 12.2 Lakh Crores, to sustain infrastructure-led growth. The fiscal deficit target was further trimmed to 4.3%, of GDP reinforcing the medium-term debt reduction roadmap.

To attract global digital investment, foreign companies providing cloud services using data centre infrastructure in India will be granted income tax exemption till 2047, subject to servicing Indian customers through a domestic reseller.

## **ROAD AHEAD**

The Indian economy is projected to experience a growth rate ranging from 6.8% to 7.2% in FY 2026-27, driven by transformative structural reforms, digital evolutions, and a rising wave of consumer demand. Initiatives such as Make in India and the Production-Linked Incentive (PLI) schemes are strengthening the manufacturing sector, channelling significant investments into key sectors like electronics, semiconductors, and renewable energy. In parallel, large-scale infrastructure projects—spanning highways, ports, and smart city developments—are expected to enhance economic activity and generate substantial employment prospects. With continued policy support and strategic investments, India is well-positioned to sustain its growth trajectory, solidifying its role as a global economic powerhouse.

**Source:-** <https://www.ibef.org/economy/union-budget-2026-27>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&reg=3&lang=2>

## **INDIAN NBFC INDUSTRY**

India, as one of the fastest growing and largest economies globally, presents a conducive environment for the expansion of its credit market. As India targets becoming a \$5 trillion economy in the coming years, the demand for financing is set to increase, underscoring the vital role of NBFCs in supporting economic growth and development.

Over the years, NBFCs have significantly strengthened their balance sheets, marked by reduced leverage and improved asset quality, with a notable shift towards the retail segment. NBFCs are effectively utilising digital data to improve credit assessments and operational efficiency. The interest of equity investors remains strong and there is vast pool of debt capital overseas which is largely untapped. With such a stable foundation, the sector remains well-positioned to navigate the evolving regulatory environment while maintaining momentum.

## **GROWTH DRIVERS FOR THE INDIAN NBFC INDUSTRY**

### **1. Digital Transformation and Technological Advancements**

NBFCs are increasingly leveraging digital technologies to enhance operational efficiency, manage fraud, and improve customer engagement.

## 2. Focus on Key Segments

The retail lending sector remains a key driver of growth, with strong demand for home loans, vehicle financing, and personal loans. Favourable demographic trends, rapid urbanisation, and rising disposable income are further driving growth in this segment.

## 3. Financial Inclusion

India has made significant progress in financial inclusion, with a total of 55.90 crore beneficiaries under the Pradhan Mantri Jan Dhan Yojana (PMJDY) Scheme. NBFCs play a crucial role in bridging the credit gap for underserved and unbanked populations. By leveraging technology and customised product offerings, they are driving financial inclusion across rural and remote regions, ensuring wider access to credit and banking services.

## 4. Healthy Asset Quality Levels

While concerns persist over rising household indebtedness and asset quality risks in unsecured lending (such as personal loans and microfinance), NBFCs that prioritise proactive risk management, digital credit monitoring, and diversified lending portfolios are better positioned to maintain financial stability and portfolio health.

## **HUMAN RESOURCES**

At Credifin, the Company's success is fundamentally driven by its human capital. Understanding that the motivated and skilled workforce is essential for long-term growth, the Company places a strong emphasis on creating a supportive environment that fosters both safety and productivity.

The HR team plays a key role in nurturing a workplace founded on the principles of integrity, transparency, and continuous learning. Through its focus on equality and strict enforcement of zero tolerance towards harassment, Credifin ensures that employees operate in an environment of respect, security, and empowerment. The Company is not just an employer but a provider of long-term career growth, fostering trust and confidence across its workforce.

The Company's HR policies are designed to ensure that employees acquire the necessary skills to succeed in a rapidly changing business environment. A strong, performance orientated culture reinforces individual achievements, enhancing both employee capabilities and the Company's market position.

As Company strives to become an organisation poised for the future, its focus remains firmly on the attraction, development, and retention of high-calibre talent. Equal opportunity, employee well-being, and fostering a collaborative work environment remain central to the Company's human resources philosophy. The HR processes, designed around a framework of distinct competencies and intrinsic values, aim to cultivate a work culture that is inclusive and enriching. By March 31, 2026, the Company had employed 509 individuals, during the FY 2025-26, underscoring its expanding operations and resolute commitment to workforce expansion.

## SCOT ANALYSIS

### OUR STRENGTHS

- **Operational Flexibility & Agility:** The Company's agility in adapting to evolving market dynamics and customizing financial solutions to customer needs delivers a distinct competitive edge. A scalable organizational structure optimizes resource allocation and sharpens management efficiency.
- **Specialized Expertise:** With a focused expertise in leasing and financial services, the Company offers customized solutions that address unique client financial needs.
- **Customer-Centric Approach:** A deep-rooted understanding of client needs, founded on trust and sustained relationships.
- **Technology & Innovation:** Leveraging advanced technological capabilities, including data analytics, AI, and digital lending platforms, to optimise customer acquisition and credit risk assessment.
- **Experienced Leadership:** A dominant player in the domain of pre-owned commercial vehicle financing, with a strong presence in two-wheeler loans and personal finance solutions. A seasoned senior management team, armed with deep industry expertise, steers strategic direction while fueling growth and innovation.

### OUR CHALLENGES

- **Limited Access to Public Funds:** Unlike traditional banks, restricted borrowing capacity may limit growth potential and increase funding costs.
- **Rapid Growth Management:** Managing exponential expansion with a CAGR exceeding 100% poses challenges in sustaining operational efficiency, risk management, and portfolio quality.
- **Economic Sensitivity:** Downturns heighten default risks and payment delays, threatening financial stability.

### OUR OPPORTUNITIES

- **Expanding Customer Base:** Rising demand for non-banking financial solutions presents significant growth potential, especially in MSME and retail segments.
- **Diversification of Financial Products:** Introducing innovative financial products like unsecured loans, working capital loans, and customized credit solutions will substantially enrich revenue streams and enhance market presence.
- **Digital Transformation:** Leveraging online platforms, AI-driven lending models, and mobile-based customer engagement platforms are poised to boost operational efficiency and broaden customer outreach.
- **Strategic Partnerships:** Strategic partnerships with banks, fintech firms, and other financial institutions enable access to diversified funding avenues and facilitate expansion into broader markets.

- **Customer Lifetime Value:** Focusing on value-added services, competitive pricing, and superior customer service to foster loyalty, drive repeat business, and sustain profitability.

#### OUR THREATS

- **Macroeconomic Risks:** Inflation, geopolitical crises, and economic slowdowns could negatively impact consumer spending, business activities, and credit risk, affecting financial performance.
- **Intensified Competition:** Growing presence of large NBFCs, banks, captive finance companies, and fintech firms in traditional NBFC segments may erode market share and pricing power.
- **Liquidity Buffer Requirements:** Maintaining higher liquidity reserves amid financial uncertainties can lead to increased capital costs and reduced returns.
- **Market Volatility & Funding Constraints:** Financial market fluctuations, rising borrowing costs, and funding limitations pose risks to capital raising, risk management, and operational stability.
- **Competition from Banks & Fintechs:** Growing competition from traditional banking institutions, digital lenders, and fintech players could potentially undermine market share and pressure margins.
- **Regulatory Changes:** Any potential tightening of NBFC regulations by the Regulator could significantly impact operational dynamics and increase compliance-related expenditure.
- **Interest Rate Volatility:** A rise in interest rates may result in increased borrowing costs, thereby adversely affecting lending profitability and the overall cost structure.

#### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company operates exclusively in India and is primarily engaged in financing activities; accordingly, it is considered to operate within a single domestic business segment. Consequently, all operations fall under one reportable segment, and there are no separate segment disclosures.

India continues to demonstrate strong economic resilience, with GDP growth projected at around **6.4% in the medium term**, supported by robust domestic demand and policy support. This macroeconomic stability has translated into **healthy credit growth across sectors**, with bank credit expanding by approximately **14–15% year-on-year in 2026**, reflecting sustained demand for financing.

Further, persistent tightness in labour markets may influence interest rate expectations, while variations in disinflation trends across major economies could lead to currency fluctuations, potentially impacting the financial sector.

The Economic Survey 2025–26 places the financial services sector at the centre of India’s growth-resilience balance, positioning it not merely as a facilitator of capital but as a critical shock absorber in an increasingly uncertain global environment. The regulatory landscape is also

evolving towards a more calibrated and trust-based framework, offering greater operational flexibility while placing increased emphasis on accountability, data integrity, and compliance systems. This is expected to drive higher adoption of automated monitoring mechanisms across the sector.

## RISK MANAGEMENT

At Credifin, risk management is an imperative strategic priority, safeguarding the interests of customers, employees, shareholders, and organization, all while fostering sustainable growth. The Company has crafted a robust risk management framework, harmonised with the best global practices and strengthened by a well-defined structured control mechanism.

The Risk Management Committee plays a key role in monitoring and addressing various risk categories, including credit, market, legal and regulatory, operational, liquidity, interest rate, cybersecurity, information technology, strategic, and economic risks. To counter these multifaceted and evolving threats, Company employs a proactive approach, conducting in-depth risk evaluations and executing preventive measures. A deeply ingrained culture of risk consciousness permeates the organisation, continuously reinforced through a framework of well-defined policies, operational guidelines, and stringent control procedures. The Board and its Committees ensure rigorous oversight, reviewing and approving risk-related policies to guarantee the independent identification, assessment, and management of risks across all operational domains.

### Risk Management Framework

- **Risk Identification:** Conducting in-depth analyses to identify the root cause of potential risks and assess their possible ramifications, thereby facilitating the development of precise and robust mitigation strategies.
- **Risk Assessment:** Undertaking a thorough evaluation of risks across various contingencies, ensuring a comprehensive understanding of their scope and potential consequences.
- **Risk Response:** Deploying tailored strategies to either mitigate, accept, transfer, or entirely eliminate risks based on their assessed severity and probability of occurrence.
- **Ongoing Monitoring:** Continuously tracking the risk landscape to identify emerging threats and ensure the prompt application of corrective measures.
- **Process Evaluation & Improvement:** Engaging in continuous review and refinement of risk management methodologies to increase their effectiveness and responsiveness to dynamic conditions.

## Key Risks and Mitigation

Risk Type and Definition	Mitigation
<p><b>Credit Risk-</b></p> <p>The risk of financial loss arising from borrower or counterparty default or deterioration in creditworthiness, remains a key area of focus for the Company.</p>	<ol style="list-style-type: none"> <li>1. The Company maintains a <b>predominantly retail-focused loan portfolio</b>, supported by strong front-end and back-end processes aimed at preserving asset quality and minimising delinquencies. The credit appraisal process involves a <b>rigorous evaluation of borrower profiles</b>.</li> <li>2. The Company utilises multiple credit risk assessment models tailored to different customer segments, enabling data-driven decision-making.</li> <li>3. As at March 31, 2026, the Company's Gross Non-Performing Assets (GNPA) stood at 4.97% of Gross Advances, while Net NPAs were at 3.93% of Net Advances, reflecting a stable asset quality profile.</li> <li>4. Further, the Company follows a conservative provisioning policy, maintaining provisions in excess of regulatory requirements. This approach provides an additional buffer against potential credit losses and strengthens the overall financial resilience of the Company.</li> </ol>
<p><b>Market Risk</b></p> <p>It refers to the potential for financial loss arising from adverse movements in market conditions. These fluctuations include variables like interest rates, credit spreads, foreign exchange rates, commodity prices, and other critical factors, each of which can influence both profitability and capital.</p>	<p>Credifin effectively mitigates market risk through a well-structured set of policies and procedures, which undergo regular reviews to ensure strict adherence to industry norms and regulatory frameworks. The Asset Liability Management Committee (ALCO) diligently tracks market trends, policy modifications, and regulatory shifts within the NBFC sector, empowering the Company to proactively refine its strategic response. Furthermore, the Company conducts rigorous stress testing across multiple asset categories to assess the potential impacts of market fluctuations and ensure robust preparedness for unexpected disturbances.</p>
<p><b>Operational Risk</b></p> <p>Operational risk pertains to the chance of financial losses due to flaws or failures in internal operations, human resources, technological infrastructure, or organisational configurations. It can also arise from deficiencies in both regulatory and internal</p>	<p>Operational Risk is managed via an <b>Operational Risk Management Policy</b>, clear role definitions, segregation of duties, and monitoring of <b>Key Risk Indicators (KRIs)</b> for timely corrective steps.</p>

<p>compliance frameworks, as well as from unpredictable external factors.</p>	
<p><b>Liquidity Risk</b></p> <p>This risk arises when faces obstacles in meeting its financial commitments within the stipulated deadlines or as per the agreed schedules.</p>	<p>Liquidity Risk is managed via a comprehensive <b>Liquidity Risk Management (LRM) framework</b>. The <b>Asset Liability Committee (ALCO)</b> and the <b>Asset Liability Management Committee (ALMCO)</b> oversee adherence to risk limits, liquidity buffers, and diversified funding sources</p>
<p><b>Cash Management Risk</b></p> <p>The risk associated with cash management in loan repayment collections reflects the possible obstacles and un-predictabilities faced by a financial entity in securing prompt and full payments from its borrowers.</p>	<p>With a firm commitment to technological progress, the Company continues to enhance its customer onboarding process through its digital platform.</p>
<p><b>Human Capital Risk</b></p> <p>This risk involves losing key talent or employees with critical skills.</p>	<p>This is addressed by fostering an employee-friendly culture, benchmarking regularly, maintaining effective communication between business managers and HR, and investing in employee training and development</p>
<p><b>Interest Rate Risk</b></p> <p>This risk pertains to fluctuations in interest rates impacting borrowing costs, interest income, and net interest margins.</p>	<p>The Company regularly conducts sensitivity analyses and manages interest rate risk through a balanced borrowing and investment strategy.</p> <p>It has instituted a comprehensive set of policies and procedures to ensure strict compliance with regulatory mandates governing asset and liability management.</p>
<p><b>Compliance Risk</b></p> <p>Compliance risk refers to the potential for legal or regulatory consequences arising from non-adherence to applicable laws, regulations, and supervisory guidelines.</p>	<p>The Company has a dedicated Compliance Department, adheres to RBI and other regulatory guidelines, and has implemented an <b>Internal Capital Adequacy Assessment Process (ICAAP)</b> and a <b>Stress Testing Framework</b> to ensure compliance and operational resilience.</p>
<p><b>Internal Capital Adequacy Assessment Process (ICAAP)</b></p>	<p>The Company has implemented robust internal controls to mitigate operational risks, including centralized operations, clear segregation of duties, and oversight by executive committees responsible for capital management, risk governance, and customer service.</p> <p>The Internal Audit function conducts risk-based audits to periodically assess the effectiveness of internal controls, ensure compliance with regulatory requirements, and identify areas for process improvement.</p>

**Business Risk**

As a Non-Banking Financial Company (NBFC), the Company is subject to various external risks that may affect its long-term sustainability and profitability. These include industry-specific risks, competitive dynamics, and factors influencing customer income levels – such as agricultural productivity and climatic conditions. Broader economic volatility and sectoral challenges may also contribute to the impairment of loan assets

The Company analyses industry trends to anticipate and respond to market developments. In order to mitigate risk include product diversification, a responsive sales force, and ongoing customer service improvements.

**OUTLOOK**

The asset under management (AUM) of NBFCs is projected to grow by **12-18%**. MSME loans, retail credit, and gold loans will be the key drivers of this growth. India’s economic outlook remains resilient, supported by strong macroeconomic fundamentals and sustained demand momentum. As per the First Advance Estimates, real GDP and Gross Value Added (GVA) are projected to grow by 7.4% and 7.3%, respectively, in FY26. The Reserve Bank of India has further indicated that real GDP growth is likely to moderate to around 6.8%–7.2% in FY27, reflecting stable medium-term growth despite global uncertainties.

Looking ahead, the growth outlook for NBFCs remains positive, supported by rapid digitisation, strong consumer sentiment, resilient automobile sales, and robust housing demand. Furthermore, higher provisioning buffers, strengthened balance sheets, improved asset quality, and stabilising funding conditions are expected to enhance the sector’s resilience, enabling NBFCs to effectively cater to the expanding credit requirements of the economy.

**MAJOR REGULATORY REFORMS**

With the increasing scale and systemic importance of NBFCs in India’s financial ecosystem, the Reserve Bank of India has continued to strengthen its regulatory and supervisory framework during FY 2025–26. The focus remains on enhancing governance standards, strengthening risk management practices, and ensuring financial stability.

Recent regulatory measures emphasise prudent lending, capital adequacy, and tighter oversight of high-risk segments, particularly unsecured retail exposures, while also supporting liquidity and credit flow to the sector.

**Enhanced Risk Weighting For Unsecured Lending**

In November 2023, the Reserve Bank of India increased the **risk weights on unsecured consumer credit from 100% to 125%**, with the objective of moderating rapid growth in unsecured lending and strengthening systemic resilience. This regulatory measure required lenders, including NBFCs, to **allocate higher capital for such exposures**, thereby impacting capital adequacy and lending strategies.

The increase in risk weights has had a **structural impact on the unsecured lending segment**. As of 2026, the higher cost of capital has led to an upward shift in **interest rates on personal loans by approximately 50–75 basis points**, while lenders have adopted **stricter underwriting standards**, particularly for new-to-credit (NTC) customers and borrowers with lower credit scores.

### **RBI Master Directions 2025: Consolidated Regulatory Framework For NBFCs**

On November 28, 2025, the Reserve Bank of India issued a **landmark circular consolidating and streamlining regulatory directions** across the banking and financial sector. As part of this initiative, the RBI released **244 Master Directions**, encompassing all current regulatory instructions, organised function-wise and by category of regulated entities. This move aims to **enhance regulatory clarity, improve compliance, and ensure uniformity in supervisory expectations**.

The Company remains fully committed to complying with all applicable laws, regulations, and guidelines issued by the RBI, including those relating to capital adequacy, asset classification, and risk management. The Company's **Asset Liability Management (ALM)** framework is subject to periodic review by the Board-level Asset Liability Committee, ensuring prudent liquidity and risk oversight.

### **Prudential Norms For Income Recognition, Asset Classification, And Provisioning (IRACP)**

The Company maintains provisioning in its financial statements in accordance with the requirements of **Ind AS** and the **Income Recognition, Asset Classification and Provisioning (IRACP) norms**, as updated under the Reserve Bank of India (Non-Banking Financial Companies – IRACP) Amendment Directions, 2026. These revised norms emphasise **timely recognition of stressed assets, uniform asset classification, and adequate provisioning**, thereby strengthening the overall credit risk framework. As the regulatory landscape continues to evolve, our Company remains steadfastly committed to adhering to all applicable guidelines and adopting best practices, thereby supporting sustainable growth and maintaining financial stability.

### **Indian Automobile Industry**

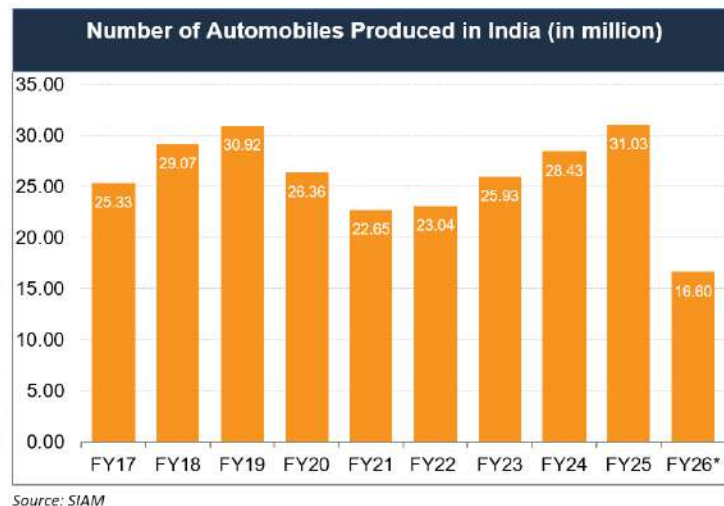
India's automotive sector continues to demonstrate strong momentum and remains a key pillar of the country's economic growth. The industry has established itself as a global leader, emerging as the world's largest market for two-wheelers and three-wheelers, and the third-largest globally for passenger and commercial vehicles combined. The sector benefits from a competitive cost structure, with India offering operational cost advantages of approximately 10–25% compared to regions such as Europe and Latin America, making it an attractive destination for global automotive investments. Reflecting this, the industry has attracted cumulative equity foreign direct investment (FDI) of Rs.3,48,752 Crore (US\$ 39.3 billion) during the period from April 2000 to June 2025.

Looking ahead, the Indian automotive landscape is poised for a significant transformation driven by electrification. India is expected to emerge as one of the largest electric vehicle (EV) markets by 2030, with an estimated investment potential exceeding US\$ 200 billion over the

next five years. Further, the Production Linked Incentive (PLI) Scheme for automobiles and auto components has witnessed continued traction, with incentives amounting to Rs. 2,818.9 crore (US\$ 325.6 million) disbursed in FY 2025–26.

Policy interventions continues to play a pivotal role in strengthening the sector’s development. The Automotive Mission Plan 2016–26, a collaborative initiative between the Government of India and the automotive industry, provides a strategic roadmap for long-term growth.

Additionally, the Government has introduced the PM E-DRIVE scheme with a budgetary outlay of US\$ 1.30 billion (Rs. 10,900 Crore) for the period from October 1, 2024 to March 31, 2026. The scheme is aimed at accelerating EV adoption, expanding charging infrastructure, and strengthening the domestic EV manufacturing ecosystem, thereby reinforcing India’s transition towards sustainable mobility.



Source:- <https://auto.economictimes.indiatimes.com/news/industry/economic-survey-2026-reveals-key-drivers-of-indias-automobile-industry-growth-exports-ev-initiatives-and-gst-reforms/127772673#:~:text=Economic%20Survey%202026%20flags%20auto,E>

<https://www.ibef.org/industry/india-automobiles>

### **Production and Sales Performance**

As per data released by the Federation of Automobile Dealers Associations, the Indian automobile retail market recorded an all-time high performance in FY 2025–26, with total vehicle sales reaching approximately 2.97 crore units, registering a robust year-on-year growth of 13.3%. This growth was broad-based across categories, with two-wheelers, passenger vehicles, tractors, and commercial vehicles all witnessing double-digit growth rates, reflecting strong underlying demand across both urban and rural markets.

Segment-wise, two-wheelers led the market with sales of over 2.14 crore units, followed by passenger vehicles at approximately 47 lakh units, while commercial vehicles and tractors each

crossed the 10 Lakh mark for the first time since the pre-pandemic period. However, construction equipment remained an exception, witnessing a decline during the year.

Overall, the Indian automotive industry continues to exhibit a steady recovery trajectory, supported by improving affordability, policy interventions, and evolving consumer preferences. Going forward, growth is expected to be driven by rising demand across segments, rural market expansion, and accelerating adoption of electric vehicles, positioning the sector for sustained long-term expansion.

### All India Vehicle Retail Data for FY'26

CATEGORY	FY'26	FY'25	YoY%
2W	2,14,20,386	1,88,89,595	13.40%
3W	13,63,412	12,20,834	11.68%
E-RICKSHAW(P)	4,77,897	4,74,518	0.71%
E-RICKSHAW WITH CART (G)	86,384	64,970	32.96%
THREE-WHEELER (GOODS)	1,41,595	1,22,663	15.43%
THREE-WHEELER (PASSENGER)	6,55,953	5,57,701	17.62%
THREE-WHEELER (PERSONAL)	1,583	982	61.20%
PV	47,05,056	41,63,927	13.00%
TRAC	10,50,077	8,82,825	18.95%
CE	71,227	80,668	-11.70%
CV	10,60,906	9,49,406	11.74%
LCV	6,38,323	5,67,393	12.50%
MCV	87,676	71,294	22.98%
HCV	3,34,227	3,09,774	7.89%
Others	680	945	-28.04%
<b>Total</b>	<b>2,96,71,064</b>	<b>2,61,87,255</b>	<b>13.30%</b>

Source: FADA Research

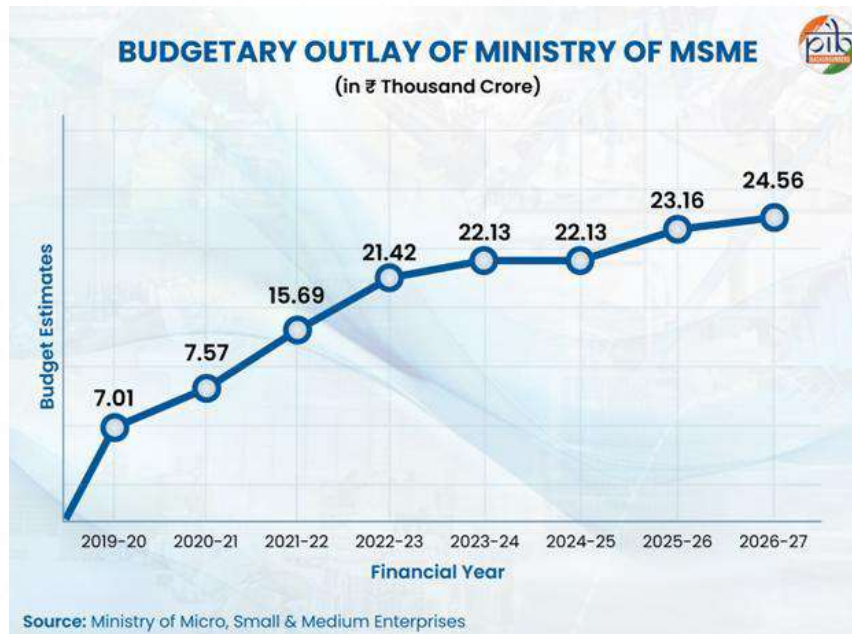
### MSME financing

India's Micro, Small, and Medium Enterprises (MSME) sector is a vital pillar of the nation's economy, contributing approximately **31.1% to India's Gross Domestic Product (GDP)**, 35.4% to the country's manufacturing output, and 48.58% to total exports, underscoring its significant contribution to both domestic and global economic activity. **With over 7.47 crore enterprises employing over 32.82 crore persons**, the sector holds its position as the second-largest employer after agriculture.

The MSME ecosystem has witnessed substantial expansion in recent years, supported by policy initiatives and digital formalisation and providing employment to over **32.82 crore individuals** across diverse industries. The sector remains a critical driver of entrepreneurship and inclusive growth, particularly in rural and semi-urban areas. Various government initiatives, including

credit support schemes and digital platforms, have enhanced access to finance, formalisation, and market linkages for MSMEs.

Non-Banking Financial Companies (NBFCs) play a pivotal role in supporting MSMEs by offering a diverse array of tailored financial products, including term loans, working capital finance, cash credit, and equipment financing. Non-Banking Financial Companies (NBFCs) in India are poised to increase their lending to Micro, Small, and Medium Enterprises (MSME) sector by 20% in the fiscal year 2025-26, outpacing traditional banks despite facing challenges related to profitability. As economic activity continues to recover, supported by fintech innovations and digital lending solutions, MSMEs are increasingly adopting digital platforms. This transition facilitates easier access to credit and improves the ease of doing business, thereby strengthening the sector's growth prospects.



Source:-

[https://www.pib.gov.in/PressReleasePage.aspx?PRID=2228306&reg=3&lang=2#:~:text=Micro%20Small%20&%20Medium%20Enterprises%20\(MSMEs\)%20are%20of%20great,to%20professional%20and%20managerial%20expertise](https://www.pib.gov.in/PressReleasePage.aspx?PRID=2228306&reg=3&lang=2#:~:text=Micro%20Small%20&%20Medium%20Enterprises%20(MSMEs)%20are%20of%20great,to%20professional%20and%20managerial%20expertise)

### **FINANCIAL AND OPERATIONAL PERFORMANCE**

The table below provides the Company's standalone financial summary for FY2026, covering revenues, expenses and profits.

S. No.	Particulars	2025-2026	2024-2025	Change (in %)
1	Total Income (including exceptional items)	7795.86	6,337.86	23.00%
2	Net Interest Income	3457.17	2739.27	26.21%
3	Assets Under Management (Owned + Managed)	42351	35077	20.74%

4	# Building Bharat Net worth	7821.27	5847.42	33.76%
5	Profit after tax	468.68	513.84	(8.79%)
6	Capital Adequacy Ratio	30.82%	28.03%	9.95%
7	Return on total assets	1.35%	2.03%	(33.50%)
8	Debt Equity Ratio	3.10x	3.15x	(1.59%)
9	Net Profit Margin	6.01%	8.12%	(25.99%)
10	Return on NetWorth	6.86%	10.42%	(34.17%)

**DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFORE, INCLUDING:-**

Sr. No.	Ratio	Numerator/ Denominator	2024-25	2025-26	Change	Explanation for Change
A.	Debtors Turnover	Credit Sale/Average Trade receivable	NA	NA	NA	NA
B.	Inventory Turnover	Cost of goods sold/average inventory	NA	NA	NA	NA
C.	Interest Coverage Ratio	PBT/Interest	1.44x	1.47x	2.08%	Marginal decline due to an increase in interest cost relative to profit before tax.
D.	Current Ratio	Current Assets/ Current Liability	NA	NA	NA	NA
E.	Debt Equity Ratio	Debt/Total Equity	3.15x	3.10x	(1.59%)	Minor change
F.	Operating Profit Margin (%)	Operating Profit/Total Operating Revenue	56.77%	56.68%	(0.16%)	Due to a slight increase in operating expenses relative to operating revenue.
G.	Net Profit Margin (%)	PBT/ Total Income	9.63%	9.08%	(5.71%)	Minor change

H.	Any sector specific equivalent ratios, as applicable	Nil	NA	NA	NA	NA
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**DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF: -**

Ratio	2024-25	2025-26	Change	Explanation for Change
Return On Net Worth	10.42%	6.86%	(34.17%)	Due to increase in tax expense reducing the PAT. As equity was raised during the year, its impact is visible on net worth.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has established a **robust organisational framework**, supported by well-defined policies, standard operating procedures, and a clearly articulated authority matrix. This framework is designed to enhance operational efficiency, ensure compliance with applicable laws and regulations, and safeguard the Company's assets. The Company recognises that a strong internal control system is essential for the **effective and seamless execution of its financing operations**.

The internal control environment is comprehensive and integrates **business processes, financial reporting, regulatory compliance, and risk management practices**, in line with prevailing industry standards. Controls are embedded across all key functions to ensure consistency, transparency, and reliability in operations and financial reporting.

To further strengthen its control framework, the Company has implemented:

- **Extensive internal audit mechanisms** to evaluate the adequacy and effectiveness of internal controls and risk mitigation processes.
- **Regular management reviews** to monitor operational performance, compliance levels, and adherence to internal policies.
- **Standardised policies and procedures** to ensure accuracy, completeness, and transparency in financial and operational reporting.
- **Periodic oversight by the Audit Committee**, which reviews financial reporting processes and internal control systems to ensure their integrity and effectiveness.

### **Internal Audit and Risk-Based Approach**

The Internal Audit function plays a critical role in strengthening corporate governance within the Company. The Internal Auditor conducts independent and periodic audits across functions, focusing on identifying process gaps, strengthening controls, and improving operational efficiency. These audits evaluate:

- Adequacy and effectiveness of internal controls
- Compliance with regulatory requirements and internal policies
- Risk exposure across business operations
- Reliability of financial and operational information

Audit coverage is determined based on risk assessment, materiality, and business impact, ensuring focused attention on critical areas. The Audit Committee regularly reviews internal audit findings and ensures timely implementation of corrective actions.

The Company has also adopted a Risk-Based Internal Audit (RBIA) framework, which provides a structured approach to identifying, assessing, and mitigating risks. The RBIA framework focuses on:

- Identification of key risk areas across business processes
- Evaluation of control effectiveness and gaps
- Recommendation of corrective measures and process improvements

Through continuous monitoring, proactive risk management, and strong governance oversight, the Company ensures that its internal control systems remain robust, dynamic, and aligned with evolving business and regulatory requirements, thereby supporting sustainable growth and operational excellence.

### **FUTURE STRATEGY**

The Board has outlined a strategic roadmap for the next 3 to 5 years, centered on driving sustainable growth and achieving operational excellence. The key initiatives include:

• **Periodic Review of Business Strategies:**

Conducting regular evaluations to ensure alignment with market dynamics while maintaining efficient liquidity management.

• **Optimising Operations and Expanding the Product Portfolio:**

Streamlining workflows and broadening the range of products across all branches to better serve customer needs.

• **Enhancing Loan Disbursement and Collections:**

Utilizing advanced data analytics to strengthen loan processing, improve collection efficiencies, and ensure timely decision-making

- **Strengthening Market Leadership:**  
Driving continuous innovation and pursuing strategic advancements to reinforce company position as an industry leader.
- **Improving Loan Portfolio Quality:**  
Implementing comprehensive risk assessment and mitigation strategies to enhance asset quality and ensure long-term stability.
- **Deepening Customer Relationships:**  
Fostering customer loyalty and satisfaction through personalized engagement and relationship-building initiatives.
- **Expanding Customer Acquisition:**  
Offering seamless digital payment solutions to attract and onboard a wider customer base.
- **Adopting Artificial Intelligence and Machine Learning:**  
Increasing the integration of AI and ML technologies across operations to deliver superior customer service and operational efficiency.
- **Launching Tailored Financial Solutions:**  
Introducing customized products that address evolving customer needs, expanding the product suite, and enhancing market competitiveness.
- **Promoting Diversity and Inclusion:**  
Fostering a more equitable workplace by increasing the representation of women across various roles and leadership positions, thereby creating a dynamic and inclusive environment

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

The accompanying Financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, along with the requirements of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **CAUTIONARY STATEMENT**

Statements made in this Management Discussion and Analysis Report may contain certain 'forward-looking' statements based on various assumptions about the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the national and global effects of economic conditions, political conditions, volatility in interest rates, changes in regulations and policies impacting Company's

businesses and other related factors. The Company does not undertake any obligation to update these statements. The Company has obtained the data and information referred here from sources believed to be reliable or from its internal estimates, the accuracy or completeness of which cannot be guaranteed.

**For M/s CREDIFIN LIMITED  
(Formerly Known as PHF Leasing Limited)**

**Place: Jalandhar  
Date: May 05, 2026**

**Sd/-  
Kumar Shalya Gupta  
MD and CEO  
DIN:07553217  
Add: H. No. 53-A, Model  
Town, Jalandhar-I-  
144003, Punjab, India**

**Sd/-  
Vijay Kumar Sareen  
Whole Time Director  
DIN:07978240  
Add: 20, 21, Surya Vihar,  
near DAV College,  
Jalandhar-144008,**

**CORPORATE GOVERNANCE REPORT**  
**(THE REPORT ON CORPORATE GOVERNANCE FORMS PART OF THE DIRECTORS' REPORT**  
**FOR THE YEAR ENDED MARCH 31, 2026)**

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Corporate governance at Credifin Limited (formerly PHF Leasing Limited) is founded on the principles of equity, transparency, accountability, and ethical conduct, with a primary focus on safeguarding the interests of all stakeholders. In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subsequent amendments, this report details the Company's corporate governance policies and practices for the fiscal year 2025-26.

The Company adheres to the provisions of the Companies Act, 2013 (as amended), the SEBI Listing Regulations, and the Reserve Bank of India (RBI) Regulations applicable to Non-Banking Financial Companies (NBFCs). Further, Credifin's corporate governance framework complies with regulatory requirements, reflecting our commitment to fairness, integrity, and the enhancement of stakeholder value in every aspect of our operations.

### **Philosophy**

Credifin Limited ("the Company") is committed to establishing and maintaining a robust system of Corporate Governance that supports effective and transparent management across all areas of its operations and stakeholder interactions. Our philosophy is rooted in the belief that sound governance practices are essential to managing the business efficiently, ethically, and responsibly.

In line with this commitment, the Company consistently upholds fair business practices and transparency in all its dealings. We continuously strive to review, enhance, and upgrade our systems and processes to foster greater transparency and operational efficiency across business segments.

Through our Corporate Governance framework, we aim to ensure clarity in financial reporting and keep all stakeholders well-informed about the Company's policies, performance, and developments. By adopting and maintaining good governance practices, we seek to reinforce stakeholder trust and confidence.

The Board has delegated authority to responsible individuals to implement policies and practices aligned with the key principles of Corporate Governance, including transparency, disclosure, supervision, internal controls, risk management, communication, safety, accounting integrity, and the quality of products and services. Comprehensive review mechanisms are also in place to monitor and ensure the continued effectiveness of these systems.

### **Essential components of CREDIFIN corporate governance**

- The Board exceeds statutory requirements regarding the number of meetings held, dedicating time to deliberations on operational plans, strategic initiatives, new product development,

brand management across domestic and international markets, and managing internal and external risks.

- The Board comprises directors from diverse backgrounds with extensive experience, enabling them to provide relevant and valuable guidance to executive management.
- Independent directors on the Board are distinguished professionals known for their exemplary track records and reputations.
- All Board members are invited and actively encouraged to attend committee meetings, irrespective of their committee membership.
- Pre-Audit Committee meetings are conducted by the Audit Committee Chairman, involving discussions with statutory auditors, internal auditors, and relevant executive management team members responsible for processes.
- Independent directors hold separate meetings excluding non-independent directors and executive management to focus on matters related to their oversight role.
- The Board undertakes a confidential evaluation process where members assess the performance of fellow directors, Board committees, the Board Chairman, and the Board collectively.
- Senior management from the Company regularly present to the Board, ensuring directors are well-acquainted with key aspects of each business unit.
- Comprehensive and detailed information is provided to Board members well in advance to facilitate informed decision-making.
- Key governance policies are hosted on the Company’s website for easy access by stakeholders.
- The Board adopts key governance policies and codes aligned with best practices, available for stakeholder review and download on the website. These include:
  - Whistle blower Policy/Vigil Mechanism
  - Policy on Materiality of and Dealing with Related Party Transactions
  - Code of Conduct
  - Dividend Distribution Policy
  - Policy on Prevention of Sexual Harassment at Workplace
  - Fair Practices Code
  - Equal Employment Opportunity and Non-Discrimination Policy

## BOARD OF DIRECTORS

### a) Composition and Category of Directors

Name of Directors	DIN	Designation	Category
Mr. Kumar Shalya Gupta	07553217	Managing Director and	Executive Director

		Chief Executive Officer	
Mr. Vijay Kumar Sareen	07978240	Whole-time Director	Executive Director
Mr. Ashwani Kumar Jindal	00670384	Director	Non-Executive Independent Director
Mr. Sunil Kumar Mehta	10910371	Director	Non-Executive Independent Director
Ms. Aditi Kapur	06597596	Director	Non-Executive Independent Director
Mr. Meghal Gupta	09179500	Director	Non-Executive Director

# Mr. Chandan Chugh was associated as Non-Executive Director of the Company up to September 30, 2025.

The strength of Board was 6 Directors as on 31st March 2026. Further, the Board consisted of One Managing Director, One Executive Whole time Director, One Non-Executive Non-independent Directors and Three Non-Executive Independent Directors, including one Independent Woman Director as on 31st March 2026.

The Non-Executive Independent Directors with their diverse knowledge, vast experience and relevant expertise bring in their independent judgment, knowledgeable and professional view to the deliberations and decision making process of the Board.

#### **b) Attendance particulars of each Director at the Board Meetings and the last Annual General Meeting**

Directors associated with the Company	Board Meetings							Annual General Meeting
	25.04.25	04.08.25	30.09.25	11.11.25	24.12.25	03.02.26	07.02.26	
Mr. Kumar Shalya Gupta	I	P	P	P	P	P	P	P
Mr. Vijay Kumar Sareen	P	Ab	P	P	P	P	P	P
Mr. Ashwani Kumar Jindal	P	P	P	P	P	P	P	P

Ms. Aditi Kapur	P	P	P	P	P	P	P	P
Mr. Meghal Gupta	P	P	Ab	P	Ab	P	Ab	P
Mr. Sunil Kumar Mehta	P	P	P	P	P	P	P	P
#Mr. Chandan Chugh	P	P	NA	NA	NA	NA	NA	Ab

P: Present I: Invitee Ab: Absent NA: Not Associate

# Mr. Chandan Chugh was associated as Non-Executive Director of the Company up to September 30, 2025.

# Mr. Kumar Shalya Gupta was appointed as Managing Director and Chief Executive Officer of the Company w.e.f. 04.08.2025

**c) Number of other Board of Directors or Committees in which Directors of the Company are Members or Chairman:**

Directors associated with the Company	No. of Directorship held (s)(excluding Private Companies, Foreign Companies and Section 25 Companies)	Directorship in other listed Entity including category of directorship	No. of Memberships in other company(ies) (As per Regulation 26 of Listing Regulations)	No. of Chairmanship in other company(ies) (As per Regulation 26 of Listing Regulation)
Mr. Kumar Shalya Gupta	1	Nil	Nil	Nil
Mr. Vijay Kumar Sareen	1	Nil	Nil	Nil
Mr. Ashwani Kumar Jindal	3	Midland Microfin Limited (Debt Listed Entity) Independent Director	3	2
Mr. Sunil Kumar Mehta	1	Nil	NIL	NIL
Mr. Meghal Gupta	1	Nil	Nil	Nil

<b>Ms. Aditi Kapur</b>	1	Nil	Nil	Nil
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**Notes:-**

- In terms of Regulation 26 of Listing Regulations, as per the declarations received, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all listed companies in India, in which they are a Director.*
- Basis the disclosures received from the Directors, it is confirmed that none of the Directors is on the Board of more than: i. 20 (twenty) companies; ii. 10 (ten) public limited companies; iii. 7 (seven) listed entities; There is no inter-se relationship between the Directors*
- The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company.*
- Disclosure includes Chairmanship/Membership of Committees as required for computation of maximum number of Committees of which Director can be Chairman or Member in terms of Regulation 26 of SEBI Listing Regulations (i.e. Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee in all Indian public companies excluding Credifin Limited (formerly known as PHF Leasing Limited).*

**d) Number Board Meetings held during the year 2025-26 and its dates::**

During the year under review, the Board of Directors met seven (7) times on the following dates;

- April 25, 2025
- August 04, 2025
- September 30, 2025
- November 11, 2025
- December 24, 2025
- February 03, 2026
- February 07, 2026

**e) Disclosure of relationships between Directors inter-se:**

None of the Directors of the Company are related to each other

**f) Number of Shares and Convertible Instruments held by Non-Executive Directors:**

The details of shares and Share Warrants convertible into equity shares held by Non-Executive Directors are as follows:

S. No.	Name of Directors	Designation	No of Equity Shares held	No. of Equity Warrants
1	Mr. Ashwani Kumar Jindal	Non-Executive (Independent Director)	1,95,000	

2	Mr. Meghal Gupta	Non-Executive Director	1,20,000	-
3	Ms. Aditi Kapur	Non-Executive (Independent Director)	11,000	-

### **g) Board Diversity**

In compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Nomination and Remuneration Policy, the Board, through the Nomination and Remuneration Committee, has adopted a policy on Board Diversity aimed at ensuring an appropriate balance of skills, experience, expertise, knowledge, gender, age and professional backgrounds on the Board.

The Board comprises individuals with diverse qualifications, competencies and experience across a wide spectrum of fields, including finance, banking, business management, law, administration, economics, risk management and corporate governance. This diversity of perspectives, knowledge and experience enables the Board to effectively discharge its responsibilities, provide strategic guidance and enhance the quality of decision-making.

The Company recognizes that a diverse Board contributes significantly to effective governance, sustainable business growth and long-term value creation for stakeholders. Accordingly, while recommending appointments to the Board, the Nomination and Remuneration Committee considers various factors including professional expertise, industry experience, integrity, independence of judgment, diversity of thought and regulatory requirements.

The selection and appointment of Directors are based on merit and objective criteria, having due regard to the benefits of diversity and the specific skills and competencies required by the Board. The Company is committed to providing equal opportunities and does not discriminate on the basis of race, colour, religion, gender, nationality or any other prohibited ground. All appointments are made in compliance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, RBI guidelines and other regulatory requirements.

The current composition of the Board reflects the Company's commitment to maintaining an effective and diverse Board that is well-equipped to meet its governance and strategic objectives.

### **h) Weblink where details of familiarization programmes imparted to Independent Directors is disclosed:**

As stipulated under Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Company familiarizes its Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. These programs are being conducted by the Company regularly.

The details of such familiarization programmes for the Independent Directors are available on the website of the Company <https://www.credif.in/our-policies>.

### **i) Core skills / expertise / competencies of Directors as on March 31, 2026:**

The Board Comprises of optimum combination of Executive and Non-Executive Directors, who are highly qualified and experienced and they possess the necessary skills, expertise, and competencies to contribute effectively to the Board and its Committees.

The Board has identified the following skills / expertise / competencies have been identified for the effective functioning of the Company:

- Knowledge of Planning & Strategic Management
- Expertise and knowledge in Financial Management
- Expertise and knowledge in the field of Business Leadership & Marketing & Sales
- Expertise and knowledge in Corporate Governance & Compliance
- Knowledge of Administration & Human Resource Management
- Risk Management

The Table below give details of the skills/expertise/competence identified by the Board of Directors pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h)(ii) of Listing Regulations and currently available with the Board:

Name of Director	Planning & Strategic Management	Financial Management	Business Leadership	Corporate Governance & Compliance	Marketing & Sales	Administration & Human Resource Management	Risk Management
<b>Mr. Kumar Shalya Gupta</b>	√	√	√	√	√	√	√
<b>Mr. Vijay Kumar Sareen</b>	√	√	√	√	√	√	√
<b>Mr. Ashwani Kumar Jindal</b>	√	√	√	√	√	√	√

<b>Ms. Aditi Kapur</b>	√	√	√	√	√	√	√
<b>Mr. Meghal Gupta</b>	√	√	√	√	√	√	√
<b>Mr. Sunil Kumar Mehta</b>	√	√	√	√	√	√	√

#### **j) Opinion of the Board**

The Board hereby confirms that, in its opinion, the Independent Directors on the Board satisfy the conditions of independence as specified under the Listing Regulations, 2015, and the Companies Act, 2013. Furthermore, these Independent Directors are independent of the Company's management.

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

There was no other Independent director of the Company who resigned during the year under review before the expiry of his/her term.

#### **l) Board Procedure**

A comprehensive agenda detailing the items for upcoming Board and Committee meetings, along with relevant notes and presentations, is circulated to each Director at least seven days prior to the meeting date. In urgent cases requiring immediate attention, meetings may be convened with shorter notice. Video conferencing facilities are provided to enable participation by Directors unable to attend in person.

To facilitate effective decision-making and oversight, the Whole-time Director and Managing Director & Chief Executive Officer provide updates on the Company's overall performance at each meeting, followed by presentations from Senior Officers and the Chief Financial Officer.

The Board periodically undertakes comprehensive reviews covering:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Compliance reports with applicable laws

- Performance evaluations of the company
- Assessment of major legal matters
- Review of minutes from committee and Board meetings
- Approval of quarterly, half-yearly, and annual financial results
- Safety protocols and Risk Management Strategies
- Investment decisions, significant accounting provisions, and write-offs
- Material defaults in financial obligations
- Serious or fatal accidents
- Updates on statutory and regulatory requirements
- RBI Circulars for updating the Board and Senior Management Level
- RBI inspection and observations and compliance thereof
- Audit Committee Observations and Compliance
- Approval and Review of all Board Policies statutory and Operational
- Review and approval of Compensation to Management Personnel and KMPs and SMPs
- Review of Rate of Interest applicable to different Products

Annually, the Board sets performance objectives, monitors management's actions and results, and conducts evaluations of the Board, its committees, and individual Directors. It also assesses the effectiveness of the Company's governance framework to enhance stakeholder value.

The Board maintains vigilant oversight of Company and management performance by approving plans and reviewing strategies aligned to organizational growth. Emphasizing statutory compliance and ethical conduct, the Board prioritizes internal financial reporting and decision-making through a well-structured framework of Board and Committee meetings that promote informed and focused discussions.

Regular inputs and feedback from Directors contribute to the preparation of agendas and associated documentation. Board members have access to management personnel and all necessary Company information. Meetings typically include attendance by the Chief Financial Officer, Compliance Officer heads of key corporate functions, the Company Secretary, and other relevant members of management. Through a robust governance structure supported by regular Board and Committee meetings, access to comprehensive information, active participation of Senior Management and effective secretarial support, the Board exercises diligent oversight over the affairs of the Company and ensures that decisions are taken in a transparent, compliant and value-driven manner. Necessary actions arising from Board and Committee deliberations are tracked and implemented by the management on a timely basis.

#### **m) Directors and Officers' Liability Insurance (D&O policy)**

The Company maintains an annually renewed Directors and Officers (D&O) insurance policy that provides coverage to its Directors (including Independent Directors), Key Managerial Personnel, and senior officers. The Board is confident that the current policy offers adequate coverage in terms of risk exposure and financial quantum relevant to the Company's operations.

#### **n) Orderly Succession to Board and senior management**

A key responsibility of the Board of Directors is the selection, compensation, monitoring, and, when necessary, the replacement of Board members and senior management personnel, including Key Managerial Personnel (KMPs). The Board is also entrusted with overseeing effective succession planning to ensure continuity in leadership.

In compliance with Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a comprehensive framework for succession planning for both the Board and senior management. This framework was presented to the Board for review during the reporting period. The Board has ensured that robust succession plans are in place to support smooth and orderly transitions for key appointments.

#### **o) Review of legal compliance reports**

The Board conducts regular reviews of compliance reports prepared by management to assess the Company's adherence to various applicable laws and regulations. These periodic assessments ensure that the Company remains compliant with statutory requirements and regulatory frameworks, thereby mitigating legal and operational risks.

#### **p) Pecuniary Relationship**

There are no pecuniary relationships or transactions between the Non-Executive Directors and the Company, except for the sitting fees, interest, professional fees and commission, if any, received by them for attending meetings of the Board and its Committees.

#### **q) Board Independence**

The Board of Directors comprises of three (3) Independent Directors as on March 31, 2026, which is equivalent to 50% of total strength of the Board.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (LODR) and are Independent of the Management.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence. They further affirm that there are no existing or foreseeable circumstances that could compromise their ability to exercise their objective of providing independent judgment and are free from external influence.

#### **r) Criteria for appointment of Independent Directors**

Independent Directors play a crucial role in the Board's governance processes. Leveraging their diverse expertise and experience, they enhance the quality of the Board's decision making, mitigate potential conflicts of interest, and safeguard the interests of all stakeholders, with particular emphasis on protecting the rights of minority shareholders. The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI (LODR). The Nomination & Remuneration Committee identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly makes its

recommendations to the Board of Directors. The terms and conditions of appointment / re-appointment of Independent Directors has been disclosed on the website of the Company [www.credif.in](http://www.credif.in).

### **s) Separate Meeting of Independent Directors**

As stipulated under Section 149(8) read with Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, 1 (One) separate meeting of Independent Directors was held on February 03, 2026, without the attendance of Non-Independent Directors and Members of the Management, to review the performance of the Chairperson, Non-Independent Directors, Board Committees and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information from the management to the Board and its committees which is necessary to perform reasonably and discharge their duties. The meeting was attended by all the Independent Directors of the Company.

### **t) Appointment and Resignation of Independent Directors**

*None of the Independent Director has resigned before the expiry of his/her term.*

## **COMMITTEES OF DIRECTORS**

The Board has constituted various Committees to assist in the effective discharge of its responsibilities and to strengthen the overall governance framework of the Company. These Committees provide focused oversight on specific areas of the Company's operations, enabling detailed examination and informed deliberation on matters requiring specialized attention. Through such delegation, the Board is able to leverage the expertise, experience and knowledge of Committee members, thereby enhancing the quality of decision-making and governance practices. The Board has currently constituted the following Committees including pursuant to the provisions of the Act, SEBI Listing Regulations and Directions/ guidelines of Reserve Bank of India:

1. Audit Committee
2. Nomination and remuneration Committee
3. Stakeholders Relationship Committee
4. Risk Management Committee
5. Asset Liability Management Committee

### **❖ AUDIT COMMITTEE**

The Audit Committee is entrusted with reviewing the financial accounting policies, assessing the adequacy of internal control systems, and overseeing systems audits. It maintains active communication with the statutory auditors, internal auditors, and systems auditors. Senior executives and heads of relevant functions are invited to attend committee meetings as necessary.

The Committee's key responsibilities include, but are not limited to, reviewing audit plans, interim and annual financial results, management discussions and analysis of financial performance, related

party transactions, and observations from both management and auditors regarding internal control effectiveness. The Committee also monitors follow-up actions taken on audit findings.

#### **TERMS OF REFERENCE OF AUDIT COMMITTEE:**

This Committee has been constituted in compliance with Section 177 of the Companies Act, 2013 read along with the applicable Rules thereto and Regulation 18 of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time. Any amendment in the said Acts/Regulations at any point of time in future shall be automatically deemed to be incorporated herein.

The terms of reference of this Committee are wide. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company. The brief descriptions of terms of references are as follows:

#### **A)**

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors, including cost auditors (if any), for any other services rendered by them;
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval,
- Review with the management, the quarterly financial statements before submission to the Board for approval;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions with related parties of the Company; provided that only those members of the audit committee, who are independent directors, shall approve related party transactions
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control; systems of a material nature and reporting the matter to the Board;
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

- B)** The audit committee shall mandatorily review the following information:
1. management discussion and analysis of financial condition and results of operations;
  2. management letters / letters of internal control weaknesses issued by the statutory auditors;
  3. internal audit reports relating to internal control weaknesses; and
  4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
  5. statement of deviations:
    - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
    - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

The details on the terms of reference of the Committee are placed at website [www.credif.in](http://www.credif.in)

#### **COMPOSITION OF AUDIT COMMITTEE:**

- a. The audit committee shall have minimum three directors as members.
- b. At least Two-thirds of the members of audit committee shall be independent directors.
- c. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise in the light of explanation given in the SEBI Regulations. Majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement
- d. The chairperson of the audit committee shall be an independent director and he/she shall be present at Annual general meeting to answer shareholder queries
- e. The Company Secretary shall act as the secretary to the audit committee
- f. The audit committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee. Provided that occasionally the audit committee may meet without the presence of any executives of the listed entity.

#### **MEETINGS OF AUDIT COMMITTEE:**

Meetings of the Audit Committee shall be conducted in the following manner:

- a. The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
- b. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.
- c. The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

During the year under review, the Audit Committee convened four meetings on April 25, 2025; August 4, 2025; November 11, 2025; and February 03, 2026. The attendance record of Committee members for the financial year ended March 31, 2026, is detailed herein:

Name of Member	Designation	No. of Meetings
----------------	-------------	-----------------

		Held	Attended
Mr. Ashwani Kumar Jindal	Chairman (Independent Director)	04	04
Mr. Vijay Kumar Sareen	Member (Whole Time Director)	04	03
Ms. Aditi Kapur	Member (Independent Director)	04	04
#Mr. Sunil Kumar Mehta	Member (Independent Director)	03	03

#Mr. Sunil Kumar Mehta, Independent Director, was appointed as a member of the Audit Committee w.e.f. April 25, 2025

#### ❖ **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination, Compensation & Remuneration Committee formulated criteria for evaluation of the Board and Non-Independent Directors for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees, which, inter alia, includes the principles for identification of persons who are qualified to become directors.

#### **TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE:**

##### A) Brief description of Terms of Reference:-

- a. To formulate and recommend to the Board, a Nomination and Remuneration Policy of the Company as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, as amended from time to time.
- b. To recommend addition/modification to the Nomination & Remuneration Policy to the Board from time to time.
- c. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration for the directors, Key Managerial Personnel and other employees as per the Companies Act, 2013, applicable RBI Guidelines and Regulation 19(4) of Listing Regulations, 2015, as amended from time to time
- d. To formulate criteria for evaluation of performance of independent directors and the board of directors
- e. To devise a policy on diversity of board of directors
- f. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board or by Nomination and Remuneration Committee or by an independent external agency and to review its implementation and compliance
- g. To recommend whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors

- h. To recommend to the Board, appointment and removal of Directors, KMPs and Senior Management Personnel.
- i. To recommend to the board, all remuneration, in whatever form, payable to senior management
- j. To oversee familiarisation programmes for directors.
- k. To perform such other duties and responsibilities as may be consistent with the provisions of the Companies Act, Listing Regulations or any applicable Statute as the Committee may deem appropriate after the approval of the Board or as may be directed by the Board from time to time.

#### MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met 4 (four) time viz. April 25, 2025, August 4, 2025, November 11, 2025 and February 06, 2026 during the year under review and the number of meetings attended by each member during the year ended March 31, 2026 is as follows:

Name of Member	Designation	No of Meetings	
		Held	Attended
Ms. Aditi Kapur	Chairperson (Independent Director)	04	04
Mr. Ashwani Kumar Jindal	Member (Independent Director)	04	04
**Mr. Meghal Gupta	Member (Non-Executive Director)	04	01
*Mr. Sunil Kumar Mehta	Member (Independent Director)	03	02

*\*Consequent upon the resignation of Mr. Meghal Gupta as a member of the Nomination and Remuneration Committee, Mr. Sunil Kumar Mehta has been appointed as a member of the Committee with effect from 25.04.2025*

#### CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 178(2) of the Companies Act, 2013, read with Regulation 17(10) of the Listing Regulations, the Board of Directors of the Company evaluates the performance of each Independent Director and verify the fulfillment of the independence criteria as specified in the Listing Regulations and their independence from the management.

The questionnaires are prepared considering the business of the Company. The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance and contribution at Board and committee meetings and application of his/her expertise, leadership qualities and knowledge to give overall strategic direction for enhancing the shareholders' value.
- Review of risk assessment and risk mitigation.

- His / her ability to monitor the performance of the management and satisfy himself/herself with integrity of the financial controls and systems in place, etc.
- Review of financial statements, business performance and contribution to enhance the brand image of the Company.

## REMUNERATION POLICY

The remuneration payable to Executive Director(s) is determined by the Nomination & Remuneration Committee and approved by the Board, subject to the shareholders' approval at the general meeting and any other necessary regulatory approvals. During the Board meetings, only Non-Executive Directors participate in discussions related to the approval of the Executive Director's remuneration.

The remuneration for Executive Directors is fixed considering key factors such as their qualifications, experience, industry remuneration standards, and the Company's current financial position.

Further, Non-Executive Directors receive sitting fees for attendance at each meeting of the Board and its Committees, excluding the Committee of Directors.

## COMPLIANCE WITH FIT & PROPER CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee, in accordance with the Policy on 'Fit and Proper' Criteria for Directors, ensures the 'Fit and Proper' status of Directors at the time of appointment and on a continuing basis, as prescribed by the RBI.

## ❖ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Board has been constituted to look into various aspects of interest of shareholders, debenture holders and other security holders and complaints like transfer of shares, non-receipt of Share Certificates, nonreceipt of Balance Sheet, non-receipt of Annual Report etc.

### a) Brief terms of reference:

Terms of Reference of the Committee, inter alia, include the following:-

- Resolving the grievances of the security-holders of the listed entity, including complaints related to transfer / transmission of Shares, non-receipt of Annual Report, non-receipt of declared Dividends, issue of new / Duplicate Certificates, General Meetings etc.
- Review of measures taken for effective exercise of voting rights by Shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of Unclaimed Dividends and ensuring timely receipt of Dividend Warrants / Annual Reports / statutory notices by the Shareholders of the Company.

- All other matters incidental or related to shares of the Company. The detailed terms of reference of the Committee are available on the website of the Company [www.credif.in](http://www.credif.in)

**b) Name of the non-executive director heading the Committee: -**

The committee is headed by Mr. Sunil Kumar Mehta, Non-Executive Independent Director of the Company.

**c) Name and Designation of Compliance Officer: -**

- From December 01, 2021 till November 11, 2025, Ms. Shikha Kapoor was the Company Secretary & Compliance Officer of the Company.
- Ms. Manika Arora has been appointed as Company Secretary & Compliance Officer of the Company with effect from November 17, 2025. The Compliance Officer can be contacted at:

**Office Address:** 87, Radio Colony, BMC Chowk, Jalandhar- 144001, Punjab, India

**Email:** [compliance@credif.in](mailto:compliance@credif.in)

**d) Number of shareholders complaints received during the financial year:- Nil**

**e) Number of complaints not solved to the satisfaction of shareholders: - Nil**

**f) Number of shareholders' complaints pending: - Nil**

**g) Composition & Attendance:-**

The Committee/Stakeholders Relationship Committee met 1 (One) time viz. May 19, 2025 during the year under review and the number of meetings attended by each member during the year ended March 31, 2026 is as follows:-

Name of Member	Designation	No of Meetings	
		Held	Attended
Mr. Sunil Kumar Mehta	Chairman (Independent Director)	1	1
Mr. Kumar Shalya Gupta	Member (Chief Executive Officer)	1	1
Mr. Vijay Kumar Sareen	Member (Whole Time Director)	1	1
Mr. Meghal Gupta	Member (Non-Executive Director)	1	1
**Mr. Chandan Chugh	Member (Director)	1	1

**The Company Secretary of the Company acted as Secretary to the Committee**

*\*\* Mr. Chandan Chugh resigned as a member of the committee w.e.f. 30.09.2025.*

**❖ RISK MANAGEMENT COMMITTEE**

The terms of reference of the Risk Management Committee are as follows:

- a. To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology including business continuity plan, cyber security risks, market risk or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To periodically/annually review the risk management policy, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the board of directors.
- g. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- h. To ensure additional safeguards to address the risks emanating from lending to related parties.

The details on the terms of reference of the Committee are placed at website [www.credif.in](http://www.credif.in)

During the year under review, the Committee met 4 (Four) times on May 20, 2025, August 25, 2025, November 22, 2025 and January 27, 2026. The necessary quorum was present for all the meetings.

The Risk Management Committee Composition is as follows:

Name of Member	Designation	No of Meetings	
		Held	Attended
Mr. Ashwani Kumar Jindal	Chairman (Independent Director)	04	04
Mr. Vijay Kumar Sareen	Member (Whole Time Director)	04	03
**Mr. Sunil Kumar Mehta	Member (Independent Director)	04	04
Mr. Kumar Shalya Gupta	Member (Chief Executive Officer)	04	04

*\*\*Consequent upon the resignation of Ms. Aditi as a member of the Risk Management Committee, Mr. Sunil Kumar Mehta has been appointed as a member of the Committee with effect from 25.04.2025*

#### ❖ ASSET LIABILITY MANAGEMENT COMMITTEE

Pursuant to the guidelines issued by the Reserve Bank of India (RBI) on Asset Liability Management (ALM) System for NBFCs, your Company has a duly constituted an Asset Liability Management Committee (ALCO) to check the asset liability mismatches, interest risk exposure and to help the Company to improve the overall system for effective risk management in various portfolios held by the Company.

The Asset Liability Management Committee met 4 (four) times in the year under review on May 20, 2025, August 25, 2025, November 22, 2025 and January 27, 2026 during the year under review and the number of meetings attended by each member during the year ended March 31, 2026 is as follows:

Name of Member	Designation	No of Meetings held	No of Meetings attended
<b>Mr. Vijay Kumar Sareen</b>	Chairman (Whole time Director)	04	03
<b>Mr. Kumar Shalya Gupta</b>	Member (Managing Director and Chief Executive Officer)	04	04
<b>Mr. Kuldeep Bhandari</b>	Member (Chief Financial Officer)	04	04
<b>#Ms. Nancy Jha</b>	Member, (Assistant Manager) Finance	04	04
<b>Mr. Parminder Singh</b>	Member (Zonal Head Sales)	04	04

# Consequent upon the resignation of Ms. Priya Goyal as a member of the Asset Liability Management Committee, Ms. Nancy Jha has been appointed as a member of the Committee with effect from 25.04.2025

The terms of reference of the Asset Liability Management Committee as approved by the Board of Directors includes the following:

- Review of the asset-liability profile of the Company with a view to manage the market exposure assumed by the Company;
- Safeguarding the recovery positions at any point of time;
- Review of risk monitoring system, ensure payment of liability on its due dates, liquidity risk management, funding and capital planning, profit planning and growth projections, forecasting and analysing different scenarios and preparation of contingency plans; and
- Performing such other functions in relation to the lending activities such as to check the credit worthiness of the client, to approve loan and disbursement of loan and to renew loans from time to time.

#### Senior management:

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

Name of Senior Management Personnel	Category
Mr. Kuldip Bhandari	Chief Financial Officer
Mr. Kumar Shalya Gupta	Managing Director and Chief Executive Officer
Mr. Tarandeep Singh	Chief Technology Officer
Ms. Manika Arora	Company Secretary and Compliance Officer

# Ms. Shikha Kapoor, Company Secretary and Compliance Officer of the Company resigned from the services of the Company w.e.f. November 11, 2025. Consequent upon her resignation, Ms. Manika Arora was appointed as the Company Secretary, Key Managerial Personnel and Compliance Officer of the Company with effect from November 17, 2025.

#### REMUNERATION OF DIRECTORS:

##### a) All Pecuniary Relationship or Transactions of The Non-Executive Directors vis a vis the Company

##### Non-Executive Non-Independent Directors: -

1. **Meghal Gupta:-** A sum of Rs. 13,20,000/- has been paid to Non-Executive Non-Independent Director during the Financial Year 2025-26 (before TDS).

2. **Chandan Chugh:-** A sum of Rs. 1,80,000/- has been paid to Non-Executive Non-Independent Director during the Financial Year 2025-26 (before TDS).

**Non-Executive Independent Directors: -**

A sum of Rs. 5,05,000/- (Rupees Five Lakhs and Five Thousand Only) has been paid to Non- Executive Independent Directors as their sitting fee during the Financial year 2025-26 (before TDS) as per details given below:

Name	Sitting Fees (in Rs.)
Mr. Ashwani Kumar Jindal	1,30,000
Mr. Sunil Kumar Mehta	2,65,000
Ms. Aditi Kapur	1,10,000
<b>Total</b>	<b>5,05,000</b>

The Company has not entered into any pecuniary relationship or transactions with non-executive Independent directors of the Company during the year under review.

No other benefits, bonuses, stock options, pension, emoluments, commission, allowances etc. were paid to the Non- Executive Independent Directors of the Company during the year under review. However, actual expenses incurred by them for attending the Board Meetings and Committee meetings, wherever applicable, are re-imbursed to them.

Shares held by non-executive directors as on 31/03/2026 are given below:-

NAME	No. of Shares
Ashwani Kumar Jindal	195000
Aditi Kapur	11000
Meghal Gupta	120000
Sunil Kumar Mehta	NIL
<b>Total</b>	<b>326000</b>

**Criteria for making payments to Non-Executive Directors:-**

The non-executive non-independent Directors do not draw any remuneration from the Company and non-executive independent Directors are paid sitting fee as permitted under Companies Act, 2013 for attending meetings of the Board/Committees thereof. The sitting fee is fixed as per the experience, qualifications of the respective Independent Directors, as reviewed by the Nomination and Remuneration Committee.

**Disclosures with respect to remuneration**

- No sitting fees are be paid to the Executive Director for attending meetings of the Board and its Committees.

- The remuneration paid to the Directors of the Company is in accordance with the provisions of the Act and does not exceed the thresholds specified in the Companies Act, 2013 and in Regulation 17(6)(ca) of the SEBI Listing Regulations.
- None of the Directors of the Company have any pecuniary relationship with the Company apart from receiving remuneration.
- In accordance with the SEBI Listing Regulations, no employee including KMPs or Director or Promoter of a listed entity, shall enter into any agreements for himself or on behalf of any other person, with any Members or any other third party with regard to compensation or profit-sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from Members by way of an ordinary resolution. No such instances were reported during the Financial Year ended March 31, 2026.

**THE DETAILS OF SITTING FEES/REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR 2025-26 ARE AS UNDER:**

Sr. No.	Name of Director	Designation	Salary & Perquisites (Rs.)	Professional Fees (Rs.)	Sitting Fees for attending Meetings (Rs.)	Total (Rs.)
1.	Mr. Kumar Shalya Gupta	Managing Director and CEO	1,13,51,680	-	-	1,13,51,680
2.	Mr. Vijay Kumar Sareen	Whole Time Director	19,44,000	-	-	19,44,000
4.	Mr. Ashwani Kumar Jindal	Independent Director	-	-	1,30,000	1,30,000
5.	Ms. Aditi Kapur	Independent Director	-	-	1,10,000	1,10,000
6.	Mr. Meghal Gupta	Non-Executive Director	-	13,20,000	-	13,20,000
7.	**Mr. Chandan Chugh	Non-Executive Director	-	1,80,000	-	1,80,000
8.	Mr. Sunil Kumar Mehta	Additional Director	-	-	2,65,000	2,65,000

\*\* Mr. Chandan Chugh (DIN: 01519390) resigned from the position of Director w.e.f. September 30, 2025

**Notes: -**

- Salary includes leave salary and medical expense also.
- Performance Linked Incentive is based on achievements against pre-agreed targets.
- The Company does not have any stock option scheme.
- Executive and Non-Executive Directors are not entitled to severance pay.

**GENERAL BODY MEETINGS:**

The details of last three Annual General Meetings are given below:

Financial Year	Date of AGM	Time	Location of Meeting	No. of Special Resolutions
2025-26	September 19, 2025	11:30 A.M.	Video Conferencing/ Other Audio-Visual Means	4
2024-25	September 19, 2024	12:00 Noon	Video Conferencing/ Other Audio-Visual Means	2
2023-24	July 14, 2023	12:00 Noon	Video Conferencing/ Other Audio-Visual Means	3

**DETAILS OF SPECIAL RESOLUTIONS PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:**

**1) During Financial Year 2025-26:**

1. To re-appoint Mr. Ashwani Kumar Jindal (DIN: 00670384) as an Independent Director of the Company.
2. Appointment of Mr. Kumar Shalya Gupta (DIN: 07553217) as a Managing Director and CEO of the Company and fixing remuneration
3. To Increase the Borrowing Powers of the Board of Directors under Sections 180(1)(c) of the Companies Act, 2013
4. To increase the powers of the Board of Directors to create security on the properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013

**2) During Financial Year 2024-25:**

1. To consider and approve the change in the name of the Company and consequent amendment in Memorandum and Articles of Association of the Company
2. To consider and approve the amendment in Main Object Clause of the Memorandum of Association of the Company

**3) During Financial Year 2023-24:**

1. Amendment in the Articles of Association of the Company
2. Appointment of Mr. Kumar Shalya Gupta (DIN: 07553217) as a Managing Director of the Company
3. Continuation of appointment of Sh. Vijay Kumar Bhandari as the Nominee Director

The details of last three Extra- Ordinary General Meetings are given below:

Financial Year	Date of EGM	Time	Location of Meeting	No. of Special Resolutions
2025-26	-	-	-	-
2024-25	-	-	-	-
2023-24	March 21, 2024	03:00 P.M.	Video Conferencing/ Other Audio-Visual Means	2

### 1) During Financial Year 2025-26:

During the financial year 2025-26, the Company has not conducted any Extraordinary General Meeting (EGM).

### 2) During Financial Year 2024-25:

During the financial year 2024-25, the Company has not conducted any Extraordinary General Meeting (EGM).

### 3) During Financial Year 2023-24:

1. To consider and approve the increase in Authorized Share Capital of the Company and consequential amendment in Memorandum of Association of the Company
2. To consider and approve issuance of equity warrants convertible into equity shares on preferential basis to non-promoter category

### WHETHER ANY SPECIAL RESOLUTION PASSED LAST YEAR THROUGH POSTAL BALLOT

There were no special resolutions passed through the postal ballot by the Company during the last year.

### PERSON WHO CONDUCTED THE POSTAL BALLOT

The Company had not conducted the postal ballot during the passed last year.

### WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

None of the business proposed to be transacted in the ensuing Annual General Meeting require a special resolution through Postal Ballot.

### PROCEDURE OF POSTAL BALLOT

Not Applicable. However, process for remote e-voting and e-voting during the AGM has been

explained in the notes to the notice of the ensuing AGM.

### MEANS OF COMMUNICATION

- The Unaudited Financial Results for every Quarter and the Annual Audited Financial Results of the Company as approved and taken on record by the Board of Directors of the Company are disseminated on the website of Metropolitan Stock Exchange.
- The same are published, within 48 hours, in The Financial Express and Nawan Zamana.
- The Quarterly / Annual Results are also posted on the Company's website at <https://www.credif.in/financial-results>.
- All the Official news releases are disseminated on the website of the Company.
- All corporate announcements made to the Stock Exchange during the financial year under review are made available on the website of the Company.
- No presentations were made to the institutional investors or to the analysts during the year under review.
- The Company maintains an active and transparent dialogue with its shareholders, debenture holders, and investors through multiple communication channels.

Additionally, the Company ensures proper communication regarding unclaimed shares, unpaid dividends, unpaid interest or redemption amounts on debentures, unclaimed fixed deposits, and related interest. Subject-specific communications are also issued as needed to keep stakeholders well-informed.

Sr. No.	Results	The Company publishes limited reviewed un-audited standalone financial results on a quarterly basis.
a)	Newspapers wherein Results normally published	The quarterly/half-yearly/annual financial results were published in Financial Express (English editions) and Nawan Zamana (Punjabi edition).
c)	Any website, where displayed	The above information can be accessed on the Company's website at the web-link: <a href="http://www.credif.in">www.credif.in</a>
d)	Whether it also displays official news releases	N.A.
e)	Presentations made to institutional investors or to the analysis	N.A.

### GENERAL SHAREHOLDERS' INFORMATION:

S. No.	Particulars	As on March 31, 2026
a)	Annual General Meeting: Date, Time and Venue	July 31, 2026 at 12:00 Noon Venue: The Company will conduct the meeting through VC / OAVM, relevant details of which has been provided in the notice of AGM.

		<p>The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 and Circular No. 09/2024 on September 19, 2024 issued by Ministry of Corporate Affairs, SEBI/HO/DDHS/P/CIR/2023/0164 issued by SEBI (collectively referred to as ‘Circulars’), Companies are allowed to hold Annual General Meeting through VC/OAVM up to September 30, 2025, without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the 34<sup>th</sup> AGM of the Company is being held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The deemed venue for the 34<sup>th</sup> AGM was the Registered Office of the Company</p>
b)	Financial Year	The financial year covers the period from 1st April 2025 to 31st March, 2026
c)	Dividend payment date	There will be no dividend payable by the Company during the Financial Year 2025-26 as no dividend has been recommended by the Board.
d)	The name and address of each stock exchange(s) at which the listed entity’s securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	<p>Metropolitan Stock Exchange of India Limited (MSEI) Building A, Unit 205A, 2<sup>nd</sup> Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai-400070</p> <p>The Company has paid the Annual Listing Fees to the exchange within the stipulated time.</p>
e)	In case the securities are suspended from trading, the directors report shall explain the reason thereof;	N.A.

f)	Registrars and Share Transfer Agents and address for correspondence	Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area Phase - I, New Delhi - 110 020 Fax: 011-26812682 Email: admin@skylinerta.com or Tel.: 011-26812682, 83, 011-64732681 to 88
g)	Share Transfer System	The Share transfer job is being handled by the Registrar and Transfer Agent of the Company i.e. Skyline Financial Services Private Limited.
h)	Distribution of Shareholding	As per Table 1 and Table 2 below
l)	Dematerialization of shares and liquidity	As on March 31, 2026, 3,06,29,340 (99.35%) of the total paid-up share capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
j)	Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely to impact on equity.	The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts.  During the financial year under review, the Company has converted 1,84,42,510 (One Crore Eighty Four Lakhs Forty Two Thousand Five Hundred Ten Only) Equity Warrants into Equity Shares at a price of Rs. 10/- each at a premium of Rs. 15/- per share.  As on March 31, 2026, there are no outstanding equity warrants.
k)	Commodity Price risk or foreign exchange risk and hedging activities	Since our Company does not engage in commodity trading, we are not directly susceptible to fluctuations in commodity prices. Therefore, there is no disclosure to be made in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/ 0000000141 dated November 15, 2018
l)	Plant Locations	In view of the nature of business activities carried on by the Company, the Company does not have any manufacturing plant.

m)	Address for Correspondence	<p>For any assistance regarding share transfers, transmissions, change of address, non- receipt of dividend or any other query relating to shares, please write to:</p> <p>Ms. Manika Arora, Company Secretary, CREDIFIN LIMITED Regd. &amp; Corp. Office: 87, Radio Colony, Jalandhar-144001, Punjab, INDIA, Ph: 0181-4639903-06; Email: <a href="mailto:compliance@credif.in">compliance@credif.in</a></p>
n)	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	<p>During the year under review, CRISIL assigned BBB-/Stable rating for the company's bank loan facilities of Rs. 50 Crore.</p>

**Table 1: Distribution of Shareholding by size as on 31st March, 2026**

Nominal value of each share is Rs. 10/-				
Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
(Rs.)			(Rs.)	
1	2	3	4	5
Up To 5,000	149	40.93	598000.00	0.19
5001 To 10,000	62	17.03	579500.00	0.19
10001 To 20,000	20	5.49	273000.00	0.09
20001 To 30,000	5	1.37	124700.00	0.04
30001 To 40,000	8	2.20	314700.00	0.10
40001 To 50,000	7	1.92	335000.00	0.11
50001 To 1,00,000	16	4.40	1298600.00	0.42
1,00,000 and Above	97	26.65	304769900.00	98.86
<b>Total</b>	<b>364</b>	<b>100.00</b>	<b>308293400.00</b>	<b>100.00</b>

**Table 2: Category wise distribution of Equity shareholding as at March 31, 2026:**

	Category	Number of Shares Held	Percentage of Shareholding (%)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>(1)</b>	Indian	0	0
a)	Individuals/ Hindu Undivided Family		
b)	Central Government/ State Government(s)	0	0
c)	Bodies Corporate	0	0
d)	Financial Institutions/ Banks	0	0
e)	Any Other (specify)Trust	0	0
	<b>Sub-Total (A)(1)</b>	<b>0</b>	<b>0</b>
<b>(2)</b>	<b>Foreign</b>		
a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0
b)	Bodies Corporate	0	0
c)	Institutions	0	0
d)	Any Other(specify)	0	0
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>
<b>(B)</b>	<b>Public shareholding</b>		
<b>(1)</b>	Institutions		
a)	Mutual Funds	0	0
b)	Banks/Financial Institutions	0	0
c)	Central Government/ State Government	0	0
d)	Venture Capital Funds	0	0
e)	Insurance Companies	0	0
f)	Foreign Institution Investors	0	0
g)	Foreign Venture Capital Investors	0	0
h)	Any Other (Specify)	0	0
	Sub-Total (B)(1)	0	0
<b>(2)</b>	Non-institutions		
a)	Directors and their Relatives	683800	2.22
b)	Key Managerial Personnel	682500	2.21
c)	Investor Education and Protection Fund (IEPF)	12070	0.04
d)	Bodies Corporate	19721430	63.97
e)	Individuals -	0	0
	i) Individual shareholders holding nominal share capital upto Rs.2 lakh.	639710	2.08
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	8685560	28.17
F	Non Resident Indians	0	0
f-i)	Public Trusts	0	0
f-ii)	Corporate Bodies-OCB	0	0

f-ii)	Intermediary/Other Depository A/C	0	0
f-iv)	Hindu Undivided Family	404270	1.31
f-v)	Clearing member /House	0	0
f-vi)	Qualified Foreign Institution Investors-Individual	0	0
f-vii)	Qualified Foreign Institution Investors-Corporate	0	0
	Sub-Total (B)(2)	0	0
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0
	<b>TOTAL(A)+(B)</b>	0	0
<b>(C)</b>	<b>Other than promoters</b>		
<b>(D)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	0	0
	<b>GRAND TOTAL(A)+(B)+(C)</b>	<b>30829340</b>	<b>100</b>

#### COMPLIANCE WITH REGULATION 34(3) AND PART F OF SCHEDULE V OF THE LISTING REGULATIONS

In accordance with the provisions of Regulation 34 (3) and Part F of Schedule V of the Listing Regulations, the Company will report the details in respect of the unclaimed Equity Shares as and when credited to a demat suspense account opened by your Company.

#### UNCLAIMED DIVIDEND AND SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY ("IEPF")

In accordance with Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends that remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Accordingly, the Company has transferred all unpaid or unclaimed dividends declared for the financial year 2014-15 to the IEPF.

Under the IEPF Rules, companies must also transfer shares in respect of which dividends have not been paid or claimed for seven consecutive years or more to the IEPF Authority. Members whose shares or dividends have been transferred to the IEPF may claim them by following the prescribed procedure set forth in the Rules.

#### DISCLOSURE OF RISK MANAGEMENT:

The Company's Risk Management Policy deals with identification, mitigation and management of risks across the organization. The same has been dealt with in the Management Discussion and Analysis Report annexed to the Annual Report.

**OTHER DISCLOSURES:**

**a) MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF LISTED ENTITY AT LARGE**

There are no materially significant Related Party Transactions (RPTs) with the Company's Promoters, Directors, Key Managerial Personnel or their relatives, which may have potential conflict with the interests of the Company at large.

All the transactions with the related parties undertaken by the Company during the year under review are in compliance with Section 177 and 188 of Companies Act, 2013 and Regulation 23 of Listing Regulations, wherever applicable, and the details have been disclosed in the notes to the Accounts. While entering into the above transactions, the Company had made full disclosures in the Board Meetings as well as Audit Committee Meetings, prior approval of Audit Committee as well as Board of Directors was obtained and interested directors duly disclosed their interest in the said Board Meetings and Audit Committee Meetings and did not participate in the discussions on such resolutions. The details of the Related Party Transactions, entered into by the Company in the ordinary course of business at Arm's length basis have been incorporated in the Notes to the Accounts. The company has framed its Policy on dealing with Related Party Transactions and the same is available on its website under the weblink <https://www.credif.in/our-policies>.

**b) DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES, IMPOSED ON THE LISTED BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS**

There were no penalties, strictures imposed on the company by any statutory authority / regulatory authority, on any matter related to capital markets, during the last three years.

**c) DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM, WHISTLE BLOWER POLICY, AND AFFIRMATION THAT NO PERSON HAS BEEN DENIED ACCESS TO THE AUDIT COMMITTEE**

The Company has established the Vigil Mechanism/ Whistle Blower Policy and the details of the same are disclosed under Board's Report and there is no person who has been denied access to the audit committee. The Vigil Mechanism cum Whistle Blower Policy is also available on the Website of the Company <https://www.credif.in/our-policies>.

**d) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LODR) Regulations, 2015**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

**e) CYBER SECURITY & DATA PRIVACY**

The Company conducts regular reviews of the most significant risks affecting the business or processes of the Company. During the year under review, there are no incidents of cyber security breaches or loss of data or documents and this fact has been duly disclosed along with the Corporate Governance Reports submitted with the stock exchange every Quarter in accordance with Regulation 27(2) of the Listing Regulations.

**ADOPTION OF NON-MANDATORY REQUIREMENTS AS PER PART E OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015**

➤ **The Board**

During the year under review, there is no Non-Executive Chairman and accordingly, no separate office was maintained at the Company's expense. There were no instances where any reimbursement of expenses was claimed by him in connection with the performance of his duties.

➤ **Un-Modified Opinion(s) in Audit Report**

The Company continues to fall under the regime of unmodified audit opinions. There are no qualifications in the Auditor's Report on the Financial Statements for the year ended March 31, 2026.

➤ **Shareholders' Rights:**

In order to promote paperless communication and timely disclosures, the quarterly and half-yearly financial results, along with significant events, are published in leading newspapers and made available on the Company's website. Accordingly, these are not separately sent to shareholders.

➤ **Separate posts of Chairman, Managing Director and CEO:**

The Company has segregated the roles of the Chairman and Managing Director or the Chief Executive Officer

➤ **Reporting of Internal Auditor:**

The Internal Auditors report directly to the Audit Committee, ensuring independence and transparency in internal audit processes.

➤ **Risk Management**

Though not under mandatory requirement in terms of Regulation 21(5), the Company has voluntarily constituted a Risk Management Committee comprising Board members and senior management, which oversees the risk management framework and its implementation.

**f) WEB LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED**

The Company does not have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations.

**g) WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS**

The Policy on dealing with related party transactions can be accessed at <https://www.credif.in/our-policies>.

**h) DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES**

Not Applicable

**i) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A)**

During the financial year under review, the Company has not raised funds through preferential allotment or qualified institutions placement as specified under regulation 32 (7A). However, the company has allotted 1,84,42,510 (One Crore Eighty-Four Lakh Forty-Two Thousand Five Hundred and Ten Only) equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up, at an issue price of Rs. 25/- (Rupees Twenty-Five Only) per equity share (including premium of Rs. 15/- (Rupees Fifteen Only) each, for an aggregate amount of Rs. 46,10,62,750/- (Rupees Forty-Six Crores Ten Lakhs Sixty-Two Thousand Seven Hundred and Fifty Only) pursuant to the conversion of 1,84,42,510 (One Crore Eighty-Four Lakhs Forty-Two Thousand Five Hundred and Ten Only) fully convertible warrants issued on Preferential Basis.

**j) 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 said Certificate is enclosed herewith as **Annexure IV**

**k) WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR, THE SAME TO BE DISCLOSED ALONG WITH REASONS**

Information in this regard is nil as there was no instance when board had not accepted any recommendation of any committee of the board which is mandatorily required, during the financial year under review.

**l) TOTAL FEES PAID BY THE COMPANY TO THE STATUTORY AUDITOR OF THE COMPANY**

The Company has paid the fees of Rs. 8,00,000/- (Rupees Eight Lakhs Only) on a consolidated basis for all services rendered by statutory auditor.

**m) DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and Rules framed thereunder. The said policy is uploaded on the website of the Company which can be accessed at <https://www.credif.in/our-policies>.

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received during the year under review:-

Number of complaints filed during the financial year under review: Nil

(b) Number of complaints disposed of during the financial year under review: Nil

(c) Number of complaints pending as on end of the financial year: Nil

**n) DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT**

The Company has not given any loans and advances to firms/Companies in which directors are interested.

**o) DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES**

The Company does not have any subsidiary company.

**p) NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) OF SCHEDULE V READ WITH REGULATION 34(3) OF LISTING REGULATIONS, WITH REASONS**

The Company has complied all the requirement of corporate governance report as contained in Clause C (2) to (10) of Schedule V read with Regulation 34(3) of Listing Regulations, as applicable on the Company.

**q) COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Corporate Governance provisions became applicable to the Company effective from March 31, 2025. The Company has since then complied with all mandatory requirements of Listing Regulations (as amended up to date).

**r) DECLARATION BY CHIEF EXECUTIVE OFFICER**

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

All the Directors of the Board and Senior Management Personnel of the Company have affirmed compliance with the respective Codes. A declaration signed by the Chief Executive Officer to this effect is reproduced at the end of this report and marked as **Annexure V**.

**s) AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained the certificate from its secretarial auditors regarding compliance with the provisions relating to corporate governance laid down in Part E of Schedule V to the Listing Regulations, 2015 and the certificate forms part of this Report and marked as **Annexure VI**.

**t) DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES**

Information as required under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations in Nil for the Financial Year under review.

**MISCELLANEOUS DISCLOSURES**

**(i) Reconciliation of Share Capital Audit**

A reconciliation of Share Capital Audit was carried out by a qualified practicing Company secretary on quarterly basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and for other purposes as specified in the Regulation 76(1) and 76(2) of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

**(ii) Policy for Prohibition of Insider Trading**

Vide notification No. EBI/LAD-NRO/GN/2018/59, Securities and Exchange Board of India (SEBI) has notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from April 01, 2019. The Company has accordingly amended its Prohibition of Insider Trading Code and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code also provides for pre-clearance of transactions by designated persons.

**(iii) Material Subsidiaries**

The Company had no subsidiary or material subsidiary during the year under review. Accordingly, the provisions relating to unlisted material subsidiaries, including the composition of their Board of Directors and other requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were not applicable.

**(iv) Code of Conduct**

Pursuant to Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed companies are required to establish a code of conduct for their Directors and senior management, incorporating the duties of Directors as specified under the Companies Act, 2013.

In compliance with this mandate, the Company has implemented a Board-approved Code of Conduct applicable to all Board members and senior management personnel. The Code was reviewed, revised in accordance with the latest regulatory requirements, and approved by the Board during the year. The updated Code of Conduct is available on the Company's website at [www.credif.in](http://www.credif.in).

All Directors and senior management personnel have affirmed their adherence to the Code of Conduct for the financial year 2025. A declaration to this effect, signed by the Managing Director and CEO, is included in this Annual Report.

#### **(v) CEO DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

In terms of the requirements of Regulation 17 (8) read with Part B of Schedule II to the SEBI (LODR) Regulations, 2015, the Managing Director and the Chief Financial Officer have submitted necessary certificate to the Board of Directors stating & certifying the particulars specified under the said Regulation. This Certificate has been issued by the Chief Executive Officer and Managing Director of the Company along with Chief Financial Officer of the Company. The certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors. This Certificate has been given as **Annexure VII** to this Report.

#### **(vi) Board Disclosures - Risk Management**

The Company manages risks as an integral part of its decision-making process. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures.

#### **(vii) Information placed before the Board**

The Agenda is circulated well in advance to the Board Members along with Agenda Notes. The items in the Agenda are backed by comprehensive background information to facilitate meaningful discussions and to enable the Board to take efficient decisions. The Board of Credifin Limited is presented with all relevant information on various vital matters affecting the working of the company in addition to the matters set out in Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Secretarial Standards. Also, extensive information is provided on various critical matters such as Risk Assessment, Growth, Expansion, Related party transactions, sales, financial performance, foreign exchange exposure, Appointment of Key Management Personnel (KMP) and employees one level below KMPs, material legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters.

#### **(viii) Proceeds from public issues, rights issues, preferential issues, etc**

During the year the company has allotted 1,84,42,510 (One Crore Eighty-Four Lakh Forty-Two Thousand Five Hundred and Ten Only) equity shares of face value of Rs. 10/- (Rupees Ten Only) each fully paid-up, at an issue price of Rs. 25/- (Rupees Twenty-Five Only) per equity share (including premium of Rs. 15/- (Rupees Fifteen Only) each, for an aggregate amount of Rs. 46,10,62,750/- (Rupees Forty-Six Crores Ten Lakhs Sixty-Two Thousand Seven Hundred and Fifty Only) pursuant to the conversion of 1,84,42,510 (One Crore Eighty-Four Lakhs Forty-Two

Thousand Five Hundred and Ten Only) fully convertible warrants issued on Preferential Basis.

**(ix) Management Discussion & Analysis Report:**

Management Discussion & Analysis Report forms part of the Annual Report and include discussions on various matters specified under Part B of Schedule V to the SEBI (LODR) Regulations, 2015. The report has already been annexed as **Annexure III** to the Directors' Report.

**(x) Annual Secretarial Compliance Report**

As per Regulation 24A read over with SEBI circular dated 8th February, 2019, all listed entities are mandated to obtain Annual Secretarial Compliance Report from the Company Secretary in practice on compliance with all applicable SEBI Regulations and circulars / guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report (Form MR – 3). The Company has received the aforesaid Secretarial Compliance Report from M/s Harsh Goyal & Associates, Practicing Company Secretaries for the Financial Year 2025-26. A copy of the said Annual Secretarial Compliance Report forms part of the board report.

**(xi) Arbitration Mechanism (ODR Mechanism)**

Vide SEBI Circular number SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023, SEBI has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal <https://smartodr.in/login>. The Company has already registered itself on this platform in compliance with the said SEBI Circulars.

(xi) Web link of the Corporate Policies of the Company

S. No.	Corporate Policy	Regulation	Website Link
1	Whistle Blower Policy	Reg. 22	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
2	Policy for preservation of documents (Archival Policy)	Reg. 9	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
3	Policy on materiality of related party transactions	Reg. 23	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
4	Policy for determination of materiality	Reg.30(4)	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
6	NRC Policy	Part D (1)	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
7	RMC Policy	Part D, C (1)	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>
8	Dividend Distribution Policy (Top 1000 Companies)	Reg 43A	<a href="https://www.credif.in/our-policies">https://www.credif.in/our-policies</a>

**Certificate from Practising Company Secretaries**

This is to certify that on the basis of documents verified by us and explanations given to us by the Company, we hereby certify that none of the following directors on the Board of Credifin Limited ('the Company') have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any other Statutory Authority:

<b>Sr. No.</b>	<b>Director Identification Number</b>	<b>Name of Director</b>
1.	09179500	Meghal Gupta
2.	00670384	Ashwani Kumar Jindal
3.	07978240	Vijay Kumar Sareen
4.	07553217	Kumar Shalya Gupta
5.	06597596	Aditi Kapur
6.	10910371	Sunil Kumar Mehta

This certificate is issued pursuant to Clause 10 (i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For Harsh Goyal & Associates**  
Company Secretaries

Sd/-  
(Harsh Kumar Goyal)  
Prop.

FCS: 3314  
CP: 2802

**Annexure V**

**DECLARATION BY THE CHIEF EXECUTIVE OFFICER**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the financial year ended March 31, 2026.

**For Credifin Limited**

Sd/-  
**Kumar Shalya Gupta**  
**MD and CEO**

**Annexure VI**

To  
The Members of  
**Credifin Limited**

CIN: L65110PB1992PLC012488  
Nominal Capital: 40,00,00,000

We have examined relevant records of Credifin Limited (the company) for the purpose of certifying compliance of the conditions of Corporate Governance for the financial year ended 31st March, 2026 as per the provisions of Regulations 17 to 27, 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 Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedure and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance for the financial year ended 31st March, 2026 as stipulated in the Listing Regulations.

This certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Harsh Goyal & Associates**  
Company Secretaries

Sd/-  
**(Harsh Kumar Goyal)**  
Prop.

FCS:3314  
CP: 2802

Date: 05-05-2026  
Place: Ludhiana  
UDIN: F003314H000281790

**CEO AND CFO CERTIFICATE**

To  
The Board of Directors  
Credifin Limited,  
(formerly known as PHF Leasing Limited)  
87, Radio Colony, BMC Chowk,  
Jalandhar-144001, Punjab

Date: 05-05-2026

**Sub: Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We hereby certify in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

- A. We have reviewed Standalone Financial Statements and the Cash Flow Statement for the Year ended 31.03.2026 and that to the best of our knowledge and belief:-
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) These statements together present a true and fair view of 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 year which are fraudulent, illegal or violative of the Company's code of conduct
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:-
- (1) Significant changes in internal control, if any, over financial reporting during the year
- (2) Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
- (3) 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.

Sd/-  
Kuldip Bhandari  
(Chief Financial Officer)  
PAN- ADGPB1123N

Sd/-  
Kumar Shalya Gupta  
(Managing Director and CEO)  
DIN: 07553217

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3	5,022.57	4,606.86
(b) Bank Balance other than cash and cash equivalent	4	2,362.72	115.75
(c) Loans	5	26,024.71	22,571.92
(d) Investments	6	2,209.32	564.65
(e) Other Financial Assets	7	1,822.50	1,662.93
<b>(2) Non- Financial Assets</b>			
(a) Current tax assets (Net)	8	-	40.05
(b) Property, Plant and Equipment	10	419.47	344.50
(c) Capital work-in-progress	10(a)	1.17	14.85
(d) Other Intangible Assets	10(b)	158.09	176.49
(e) Right of Use assets	11	509.06	429.85
(f) Other non-financial assets	12	104.86	64.46
<b>Total Assets</b>		<b>38,634.47</b>	<b>30,592.31</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables	13		
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,855.43	1,074.81
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		5.10	3.60
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5.14	7.71
(b) Debt Securities	14	6,901.64	4,088.94
(c) Borrowings (Other than Debt Securities)	15	15,300.50	12,731.46
(d) Subordinated Liabilities	16	1,330.44	945.27
(e) Deposits	17	3,366.10	3,413.24
(f) Lease Liabilities		592.17	477.94
(g) Other financial liabilities	18	264.81	944.40
<b>(2) Non- Financial Liabilities</b>			
(a) Provisions	19	15.40	7.71
(b) Current tax liabilities (Net)	8(a)	60.88	-
(c) Deferred tax liabilities (Net)	9	153.78	84.18
(d) Other non-financial liabilities	20	92.53	97.59
<b>(3) EQUITY</b>			
(a) Equity Share capital	21	3,082.93	1,238.68
(b) Other Equity	22	5,607.62	5,476.78
<b>Total Liabilities and Equity</b>		<b>38,634.47</b>	<b>30,592.31</b>

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements

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

For GSA & Associates LLP  
Chartered Accountants  
Firm Registration No.: 000257N/N500339

For and on behalf of the Board of Directors of  
Credifin Limited (Formerly known as PHF Leasing Limited)  
CIN: L65110PB1992PLC012488

Sd/-  
**Tanuj Chugh**  
Partner  
Membership No: 529619  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Kumar Shalya Gupta**  
Managing Director & CEO  
DIN: 07553217  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Vijay Kumar Sareen**  
Whole Time Director  
DIN: 07978240  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Kuldip Bhandari**  
Chief Finance Officer  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Manika Arora**  
Company Secretary  
Membership No: A51855  
Place: Jalandhar  
Date: May 5, 2026

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Statement of Profit and Loss for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

Particulars	Note No.	For year ended March 31, 2026	For year ended March 31, 2025
<b>Revenue from Operations</b>	<b>23</b>		
(i) Interest Income		6,596.38	5,290.57
(ii) Gain on derecognition of financial assets		415.17	877.12
<b>(I) Total Revenue from Operations</b>		<b>7,011.55</b>	<b>6,167.69</b>
(II) Other Income	24	784.31	170.17
<b>(III) Total Income</b>		<b>7,795.86</b>	<b>6,337.86</b>
<b>Expenses</b>			
(i) Finance Costs	25	3,218.07	2,551.30
(ii) Impairment on financial instruments	26	492.78	380.05
(iii) Employee Benefits Expenses	27	2,421.49	2,032.97
(iv) Depreciation, amortization and impairment	28	187.57	130.40
(v) Others expenses	29	768.48	632.97
<b>(IV) Total Expenses</b>		<b>7,088.39</b>	<b>5,727.69</b>
(V) Profit/ (Loss) before exceptional and extraordinary items and tax		707.47	610.17
(VI) Exceptional items		-	-
(VII) Profit/ (Loss) before tax		707.47	610.17
(VIII) Tax Expense:			
(1) Current Tax		170.73	-
(2) Deferred Tax credit/(Charge)		(30.99)	108.54
(3) Deferred Tax related to Earlier Years	9	98.83	-
(4) Current Tax related to Earlier Years		0.23	(12.21)
<b>(IX) Profit/ (Loss) for the period</b>		<b>468.67</b>	<b>513.84</b>
(X) <b>Other Comprehensive Income</b>			
<b>(A) Items that will not be reclassified to profit or loss</b>			
Re-measurement gain/(loss) on defined benefit plans		9.18	(5.52)
Income tax effect		(2.31)	1.39
		<b>6.87</b>	<b>(4.13)</b>
<b>(B) Items that will be reclassified to profit or loss</b>			
Fair valuation gain/(loss) on investment		(4.16)	(9.14)
Income tax effect		0.55	2.06
		<b>(3.61)</b>	<b>(7.08)</b>
<b>Total Other Comprehensive Income</b>		<b>3.26</b>	<b>(11.21)</b>
<b>(XI) Total Comprehensive Income / (Loss) for the period(Comprising Profit (Loss) and other Comprehensive Income for the period)</b>		<b>471.93</b>	<b>502.64</b>
(XII) <b>Earnings per equity share</b>	<b>30</b>		
Basic (Rs.)		2.17	4.15
Diluted (Rs.)		2.17	2.70
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements

This is the Statement of Profit or Loss referred to in our report of even date

For GSA & Associates LLP  
Chartered Accountants  
Firm Registration No.: 000257N/N500339

For and on behalf of the Board of Directors of  
Credifin Limited (Formerly known as PHF Leasing Limited)  
CIN: L65110PB1992PLC012488

Sd/-  
**Tanuj Chugh**  
Partner  
Membership No: 529619  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
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Managing Director & CEO  
DIN: 07553217  
Place: Jalandhar  
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Sd/-  
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Whole Time Director  
DIN: 07978240  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Kuldip Bhandari**  
Chief Finance Officer  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Manika Arora**  
Company Secretary  
Membership No: A51855  
Place: Jalandhar  
Date: May 5, 2026

M/S CREDIFIN LIMITED  
(formerly known as PHF Leasing Ltd.)  
CIN: L65110PB1992PLC012488  
Statement of changes in equity for the year ended March 31, 2026  
(All amounts in Rupees in lacs, unless otherwise stated)

(A) Equity share capital

Equity shares of [Rs.10] each subscribed and fully paid  
Opening balance  
Add: issued & subscribed during the year  
Closing balance

As at March 31, 2026		As at March 31, 2025	
No. of shares	Amount	No. of shares	Amount
1,23,86,830	1,238.68	1,23,86,830	1,238.68
1,84,42,510	1,844.25	-	-
<b>3,08,29,340</b>	<b>3,082.93</b>	<b>1,23,86,830</b>	<b>1,238.68</b>

(B) Other equity

April 1, 2025 to March 31, 2026

Particulars	Reserve and surplus						Items of OCI FVTOCI Reserve	Money received against Share Warrants	Total
	General Reserve	Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	Other Reserves (shares forfeited)	Other Reserves (investment reserve)	Retained Earnings	Securities Premium			
Balance at the beginning of the reporting period	29.38	336.80	-	-	907.14	1,068.76	25.61	3,109.09	5,476.78
Profit/Loss for the year	-	-	-	-	468.67	-	-	-	468.67
Other comprehensive income	-	-	-	-	-	-	3.26	-	3.26
Transfer to Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	-	93.73	-	-	(93.73)	-	-	-	-
<b>Total other comprehensive income for the year</b>	-	<b>93.73</b>	-	-	<b>374.93</b>	-	<b>3.26</b>	-	<b>471.92</b>
Addition during the year	-	-	-	-	-	2,766.38	-	1,503.16	4,269.54
Share Warrants converted to Equity Shares	-	-	-	-	-	-	-	(4,610.63)	(4,610.63)
Amount Transferred to Retained Earnings	-	-	-	-	1.62	-	-	(1.62)	-
Less: Expenses during the year	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>29.38</b>	<b>430.53</b>	-	-	<b>1,283.69</b>	<b>3,835.14</b>	<b>28.87</b>	-	<b>5,607.62</b>

April 1, 2024 to March 31, 2025

Particulars	Reserve and surplus						Items of OCI FVTOCI Reserve	Money received against Share Warrants	Total
	General Reserve	Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	Other Reserves (shares forfeited)	Other Reserves (investment reserve)	Retained Earnings	Share Premium			
Balance at the beginning of the reporting period	29.38	234.03	-	-	496.06	1,068.76	36.82	1,661.45	3,526.50
Profit/Loss for the year	-	-	-	-	513.85	-	-	-	513.85
Other comprehensive income	-	-	-	-	-	-	(11.21)	-	(11.21)
Transfer to Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	-	102.77	-	-	(102.77)	-	-	-	-
<b>Total other comprehensive income for the year</b>	-	<b>102.77</b>	-	-	<b>411.08</b>	-	<b>(11.21)</b>	-	<b>502.63</b>
Addition during the year	-	-	-	-	-	-	-	1,447.64	1,447.64
Less: Expenses during the year	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>29.38</b>	<b>336.80</b>	-	-	<b>907.14</b>	<b>1,068.76</b>	<b>25.61</b>	<b>3,109.09</b>	<b>5,476.78</b>

The accompanying notes are an integral part of the financial statements

This is the Statement of change in equity referred to in our report of even date

For GSA & Associates LLP  
Chartered Accountants  
Firm Registration No.: 000257N/N500339

For and on behalf of the Board of Directors of  
Credifin Limited (Formerly known as PHF Leasing Limited)  
CIN: L65110PB1992PLC012488

Sd/-  
Tanuj Chugh  
Partner  
Membership No: 529619  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Kumar Shalya Gupta  
Managing Director & CEO  
DIN: 07553217  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Vijay Kumar Sareen  
Whole Time Director  
DIN: 07978240  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Kuldip Bhandari  
Chief Finance Officer  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Manika Arora  
Company Secretary  
Membership No: A51855  
Place: Jalandhar  
Date: May 5, 2026

**M/S CREDIFIN LIMITED**  
(formerly known as PHF Leasing Ltd.)  
CIN: L65110PB1992PLC012488  
Statement of Cash Flows for the year ended 31st March, 2026  
(All amounts in Rupees in lacs, unless otherwise stated)

Particulars	For year ended March 31, 2026	For year ended March 31, 2025
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	707.47	610.17
Adjustments for:		
Depreciation and amortization expenses	187.57	130.40
Impairment on financial instruments	492.78	380.05
Loss/ (Profit) on sale of assets	(0.34)	-
Finance cost	3,218.07	2,551.30
Loss/(Gain) on Lease Modification	(2.82)	(1.49)
Interest income	(6,596.38)	(5,290.57)
Gain on derecognition of Financial Assets	(415.17)	(877.12)
<b>Operating Loss before working capital changes and adjustments for interest received, interest paid and dividend received</b>	<b>(2,408.82)</b>	<b>(2,497.26)</b>
<b>Changes in working capital</b>		
Increase/(Decrease) in trade payables	780.63	684.22
Increase/(Decrease) in other payables and provisions	1.56	(19.75)
Increase in other financial liabilities	(679.60)	416.77
Increase in loans	(4,102.54)	(8,385.30)
Increase in other non-financial assets	(31.22)	(32.19)
(Increase)/ Decrease in other financial assets	(173.63)	25.38
<b>Cash used in operations before adjustments for interest received, interest paid and dividend received</b>	<b>(6,613.62)</b>	<b>(9,808.13)</b>
Interest paid	(3,256.75)	(2,404.07)
Interest received	6949.02	5,721.77
<b>Cash used in operations</b>	<b>(2,921.35)</b>	<b>(6,490.43)</b>
Income tax paid	(70.04)	(29.19)
<b>Net cash flows (used in)/ from operating activities (A)</b>	<b>(2,991.39)</b>	<b>(6,519.62)</b>
<b>Extraordinary Item</b>	-	-
<b>Net cash flows (used in)/ from operating activities (A)</b>	<b>(2,991.39)</b>	<b>(6,519.62)</b>
<b>Cash flow from Investing activities</b>		
Payment for property, plant and equipment	(122.22)	(123.12)
Purchase of Investments	(1,602.62)	62.72
Net proceeds from fixed assets	2.11	-
Interest received	185.83	-
<b>Net cash flow used in investing activities (B)</b>	<b>(1,536.90)</b>	<b>(60.40)</b>
<b>Cash flow from Financing activities</b>		
Proceeds from Issue of Share Warrants	1,503.16	1,447.64
Proceeds/(repayment) from issue of debt securities	2,813.74	1,460.16
Proceeds/(repayment) from Borrowings other than debt securities issued	2,606.93	5,550.12
Proceeds from Subordinated Liabilities	386.48	161.37
Proceeds from issue of deposits	(47.14)	(9.99)
Payment of lease liabilities	(72.18)	(52.74)
<b>Net cash flow from financing activities (C)</b>	<b>7,191.00</b>	<b>8,556.56</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>2,662.71</b>	<b>1,976.54</b>
Cash and cash equivalents at the beginning of the year	4,722.61	2,746.07
Cash and cash equivalents at the end of the year	<b>7,385.31</b>	<b>4,722.61</b>
<b>Cash and cash equivalents comprise (Refer note 3)</b>		
Cash on hand	17.05	16.74
Balances with banks	1,999.52	3,458.88
Deposits with original maturity of less than three months	3,006.00	1,131.24
Bank Balance other than cash and cash equivalent	2,362.72	115.75
<b>Total cash and bank balances at end of the year</b>	<b>7,385.29</b>	<b>4,722.61</b>

**M/S CREDIFIN LIMITED**  
(formerly known as PHF Leasing Ltd.)  
CIN: L65110PB1992PLC012488  
Statement of Cash Flows for the year ended 31st March, 2026  
(All amounts in Rupees in lacs, unless otherwise stated)

**Notes:**

1. The above Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'
2. Figures in brackets represents cash outflows
3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

**For the year ended March 31, 2026**

Particulars	Debt securities	Borrowings (other than debt securities)	Deposits	Lease liabilities
Opening balance as at April 1, 2025	4,088.94	12,731.46	3,413.24	477.94
Cash flows during the year	2,812.70	2,569.04	(47.14)	(72.18)
Non-cash changes due to				
- Acquisitions under finance lease	-	-	-	202.37
- Deletions under finance lease	-	-	-	(15.96)
<b>Closing balance as at March 31, 2026</b>	<b>6,901.64</b>	<b>15,300.50</b>	<b>3,366.10</b>	<b>592.17</b>

**For the year ended March 31, 2025**

Particulars	Debt securities	Borrowings (other than debt securities)	Deposits	Lease liabilities
Opening balance as at April 1, 2024	2,609.26	7,054.30	3,423.22	301.27
Cash flows during the year	1,479.69	5,677.16	(9.99)	(52.74)
Non-cash changes due to				
- Acquisitions under finance lease	-	-	-	237.31
- Deletions under finance lease	-	-	-	(7.90)
<b>Closing balance as at March 31, 2025</b>	<b>4,088.95</b>	<b>12,731.46</b>	<b>3,413.23</b>	<b>477.94</b>

The accompanying notes are an integral part of the financial statements

This is the Statement of Cash flows referred to in our report of even date

**For GSA & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 000257N/N500339

**For and on behalf of the Board of Directors of**  
Credifin Limited (Formerly known as PHF Leasing Limited)  
CIN: L65110PB1992PLC012488

Sd/-  
**Tanuj Chugh**  
Partner  
Membership No: 529619  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Kumar Shalya Gupta**  
Managing Director & CEO  
DIN: 07553217  
Place: Jalandhar  
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Whole Time Director  
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Place: Jalandhar  
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**Kuldip Bhandari**  
Chief Finance Officer  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
**Manika Arora**  
Company Secretary  
Membership No: A51855  
Place: Jalandhar  
Date: May 5, 2026

## 1 General Information

Credifin Limited (Formerly known as PHF Leasing Limited) (the "Company") is a public limited company domiciled in India and was incorporated on July 20, 1992 under the provisions of the Companies Act, 1956 applicable in India. Its shares are listed on Metropolitan Stock Exchange of India Limited. Its registered and principal office of business is located at 87, Radio Colony, Jalandhar, Punjab - 144001. The Company is an NBFC holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated May 15, 1998. During FY 2024-25, the company applied for conversion from Category-A to Category-B NBFC and was granted the new Certificate of Registration vide registration number B-06.00124 from the Reserve Bank of India ("RBI") dated August 28, 2024 in the name of PHF Leasing Limited. Further, the company also changed its name from "PHF Leasing Limited" to "CREDIFIN Limited" which came into effect from October 21, 2024 and the company was again issued the new Category-B Certificate of Registration from the Reserve Bank of India ("RBI") dated November 8, 2024 in the name of CREDIFIN Limited. The Company is primarily engaged in the business of financing vehicles and LAP. The Company has operating branches/collection offices in Jalandhar, Batala, Amritsar, Kapurthala, Ludhiana, Ferozpur, Hoshiarpur, Abohar, Malout, Faridkot, Zirakpur, Moga, Muktsar, Delhi, Jaipur, Hanumangarh, Khanna, Sri Ganganagar, Noida, Ayodhya, Muzaffarnagar, Lucknow, Meerut, Bulandshahr, Kalwar, Bhopal, Indore, Pune. Borrowers are predominantly located in rural areas in India and Company makes available loans and finance to them mainly for use for the personal consumption, businesses or for other income generating activities.

The financial statements of the Company for the year ended March 31, 2026 were approved for issue in accordance with the resolution of the Board of Directors on May 5, 2026.

## 2 Material accounting policies

Material accounting policies adopted by the company are as under:

### 2.1 Basis of Preparation of Financial Statements

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees in lakhs.

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

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as Amended from time to time).

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its financial statements. The financial statements for the current and previous year may need to undergo changes in measurement and / or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

#### (b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for certain assets and liabilities which are measured at fair value as required by relevant Ind AS (refer accounting policy on financial instruments).

All assets and liabilities have been classified as financial or non-financial in accordance with the requirements of Division III of Schedule III to the Companies Act, 2013. The classification is based on the nature of the asset or liability and the applicable recognition and measurement principles prescribed under the Indian Accounting Standards (Ind AS). Considering the nature of the Company's operations as an NBFC and the realization of financial assets and settlement of financial liabilities in cash and cash equivalents, the Company has appropriately presented such assets and liabilities in the financial statements.

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

(c) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.20 for detailed discussion on estimates and judgments.

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

**Depreciation methods, estimated useful lives**

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

<b>Property, plant and equipment</b>	
Furniture and Fixtures	10 years
Electric Equipments	10 years
Office Equipment	5 years
Vehicles	8-10 years
Computers:	
-End user devices such as, desktops, laptops etc.	3 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 2.3 Other Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the Statement of Profit and Loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ upto the date of acquisition/ sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 10 years, unless it has a shorter useful life.

The Company's intangible asset consist of computer software with definite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of profit and Loss when the asset is derecognised.

### 2.4 Financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

#### Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

#### The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

#### Financial assets measured at amortised cost

##### Debt instruments

These financial assets comprise bank balances, Loans, Trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

#### Financial assets measured at fair value through other comprehensive income

##### Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

##### Equity instruments

Investment in equity instruments that are neither held for trading, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income are not subsequently transferred to the statement of profit and loss.

Dividends on such investments are recognised in the statement of profit and loss.

#### Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest. As at the reporting date, the Company does not have any financial instruments measured at fair value through profit or loss.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, trade & other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives, if any, are also classified as held for trading unless they are designated as effective hedging instruments.

##### **Debt securities and other borrowed funds**

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

##### **Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI. No impairment loss is applicable on equity investments

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

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

**Stage 1**

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

**Stage 2**

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

**Stage 3**

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

**ECL on Investment in Government securities:**

The Company has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/repayments. The Company does not expect any delay in interest/redemption servicing in future.

**Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**Write-off**

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a derecognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

**Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition 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 as finance costs.

**Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.5 Leases

The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial recognition.

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 asset for a period of time in exchange for consideration.

The Company's lease asset classes consist of leases for office premises.

### Company as a lessee

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 recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because 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 of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office building and warehouses (i.e., those leases that have a 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 exemption to leases of office building that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company also applied the available practical expedients wherein it:

- Applied single discount rate to the portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Uses hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease

## 2.6 Revenue Recognition

### Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront.

### Dividend Income

Dividend income is recognised when the right to receive the payment is established

### Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

### Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss or OCI, held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

### Net gain/loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category is presented separately under the respective head in the statement of profit and loss. The resulting interest only strip initially is recognised at FVTPL under interest income

### Other Income

All other incomes are recognised in the period they occur.

## 2.7 Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

## 2.8 Taxation

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generate taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is provided using the liability 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 liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that 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, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

## 2.9 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## 2.10 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## 2.11 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents) and short-term deposits, as defined above.

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

## 2.12 Foreign Currency Transactions

### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## 2.13 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The principal or the most advantageous market must be accessible by the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date
- ▶ Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (FVA). Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company estimates the value of its own credit from market observable data, such as secondary prices for its traded debt and the credit spread on credit default swaps and traded debts on itself.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

## 2.14 Retirement and other employee benefits

### Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

### Post-employment employee benefits

#### a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to The LIC fund.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

## 2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 2.16 Money received against Share Warrants

Initial Recognition: When share warrants are issued, they are initially recognized as a separate component of equity. The fair value of the warrants is recorded in the "Money received against Share Warrant" account within the other equity section of the balance sheet.

Subsequent Measurement: After initial recognition, the share warrants are not remeasured to their fair value at each reporting date. The share warrant reserve balance remains unchanged until the warrants are either exercised or expire.

Exercise of Warrants: When the warrants are exercised, the corresponding amount in the share warrant reserve is transferred to the "Share Capital" and "Share Premium" accounts. The amount transferred is equal to the fair value of the warrants recognized at the time of issuance.

Expiration of Warrants: If the warrants expire unexercised, the balance in the share warrant reserve is transferred to the "Retained Earnings" account.

#### 2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

#### 2.18 Operating segments

The Company's main business is financing by way of loans for retail and corporate borrowers in India. The Company's operating segments consist of "Financing Activity" and "Others". All other activities of the Company revolve around the main businesses. This in the context of Ind AS 108 - operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Accordingly, all operating segment's operating results of the Company are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Financing Activity" segment consists of vehicle financing, term loans (corporate and retail).

Revenue and expense directly attributable to segments are reported under each operating segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

#### 2.19 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

## 2.20 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

### (a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

### (b) Defined benefit plans (gratuity benefits)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

### (c) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### (d) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

**(e) Effective Interest Rate (EIR) method**

The Company's EIR methodology, as explained, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

**(f) Impairment of financial asset**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

**Collateral Valuation**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

**Collateral repossessed**

In its normal course of business whenever default occurs, the Company may take possession of assets in its portfolio and generally disposes such assets through auction, to settle outstanding debt. The Company generally does not use the assets repossessed for the internal operations.

**(g) Provisions and other contingent liabilities**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**3 Cash and Cash Equivalents**

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Cash in hand	17.05	16.74
Balances with banks	1,999.52	3,458.88
Deposits with original maturity of less than three months	3,006.00	1,131.24
	<b>5,022.57</b>	<b>4,606.86</b>

**4 Bank Balance other than cash and cash equivalent**

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Fixed deposits (with original maturity more than twelve months)*	2,362.72	115.75
<b>Total other bank balances</b>	<b>2,362.72</b>	<b>115.75</b>

\* Fixed Deposits are earmarked as security against the borrowings availed from banks and corporates.

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

**5 Loans**

Particulars	As at	As at
	March 31, 2026	March 31, 2025
(A) (i) Term loans	-	4.42
(ii) Others		
(a) Hypothecation loans	22,057.19	17,754.82
(b) Repossessed Vehicles	716.72	923.82
(c) Loan against Property	2,661.38	3,210.28
(d) MSME Loan	333.33	454.43
(e) Direct Assignment	753.31	542.92
<b>Total (A) -Gross</b>	<b>26,521.93</b>	<b>22,890.69</b>
Less: Impairment loss allowance	(497.22)	(318.77)
<b>Total (A) - Net</b>	<b>26,024.71</b>	<b>22,571.92</b>
(B) (i) Secured by tangible assets	26,140.26	22,890.69
(ii) Unsecured	381.67	-
<b>Total (B)-Gross</b>	<b>26,521.93</b>	<b>22,890.69</b>
Less: Impairment loss allowance	(497.22)	(318.77)
<b>Total (B)-Net</b>	<b>26,024.71</b>	<b>22,571.92</b>
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others		
Retail Loans	26,521.93	22,886.27
Corporate Loans	-	4.42
<b>Total (C)- Gross</b>	<b>26,521.93</b>	<b>22,890.69</b>
Less: Impairment loss allowance	(497.22)	(318.77)
<b>Total(C) (I)-Net</b>	<b>26,024.71</b>	<b>22,571.92</b>
(C) (II) Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total (C) (II)- Net</b>	<b>-</b>	<b>-</b>
<b>Total C(I) and C(II)</b>	<b>26,024.71</b>	<b>22,571.92</b>

M/S CREDIFIN LIMITED  
(formerly known as PHF Leasing Ltd.)  
CIN: L65110PB1992PLCO12488

Notes forming part of the Financial Statements for the year ended March 31, 2026  
(All amounts in Rupees in lacs, unless otherwise stated)

6 Investments

Particulars	As at March 31, 2026				As at March 31, 2025			
	Amortised cost	At Fair value through Other Comprehensive Income	At Fair value through Profit & Loss	Total	Amortised cost	At Fair value through Other Comprehensive Income	At Fair value through Profit & Loss	Total
Government securities	18.32	-	-	18.32	18.32	-	-	18.32
Equity instruments	-	22.46	-	22.46	-	26.62	-	26.62
Investment in NCDs	889.83	-	-	889.83	5.83	-	-	5.83
Investment on Securities Receipts with ARC	-	-	1,292.87	1,292.87	-	-	591.15	591.15
<b>Total - Gross</b>	<b>908.15</b>	<b>22.46</b>	<b>1,292.87</b>	<b>2,223.48</b>	<b>24.15</b>	<b>26.62</b>	<b>591.15</b>	<b>641.92</b>
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	908.15	22.46	1,292.87	2,223.48	24.15	26.62	591.15	641.92
<b>Total - Gross</b>	<b>908.15</b>	<b>22.46</b>	<b>1,292.87</b>	<b>2,223.48</b>	<b>24.15</b>	<b>26.62</b>	<b>591.15</b>	<b>641.92</b>
Less: Allowance for Impairment loss/ Provision of Depreciation on investments	-	-	14.16	14.16	-	-	77.27	77.27
<b>Total - Net</b>	<b>908.15</b>	<b>22.46</b>	<b>1,278.71</b>	<b>2,209.32</b>	<b>24.15</b>	<b>26.62</b>	<b>513.88</b>	<b>564.65</b>

Foot Notes

i. Details of investments

Particulars	Face Value (in Rs.)	Number of units		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
<b>(A) Investments in Government or Trust securities - at cost</b>					
6.01% GOI Securities 2028	100	7,800	7,800	8.03	8.03
7.17% GOI Securities 2030	100	10,000	10,000	10.29	10.29
<b>(B) Investment in Equity instruments - at FVTOCI (Capital Small Finance Bank Ltd.)</b>					
10,237 equity shares of Rs 218.90 each (Citizen Urban Co-Operative Bank Ltd.)	10	10,237	10,237	22.41	26.57
500 equity shares of Rs 10/- each	10	500	500	0.05	0.05
<b>(C) Investment in Security Receipts with ARC</b>					
RARE ARC 059 Trust	1,000	31,872	34,101	318.72	341.01
RARC 091 Trust	1,000	25,014	25,014	250.14	250.14
CFM ARC Trust 224	1,000	72,400	-	724.00	-
<b>(D) Investment in NCDs</b>					
Best Capital Services Limited	10,000	50	50	6.52	5.83
Midland Microfin Limited	1,00,000	376	-	383.32	-
SI Creva Capital Services Private Limited	1,00,000	500	-	500.00	-
		<b>1,58,750</b>	<b>87,702</b>	<b>2,223.48</b>	<b>641.92</b>

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
<b>7 Other financial assets</b>		
Advances to Vehicle dealers	877.13	839.68
Interest accrued on MPSEB Bonds	-	33.37
Security Deposits	28.95	25.11
Interest strip asset on assignment	652.82	666.89
Other financial assets	263.60	97.88
	<b>1,822.50</b>	<b>1,662.93</b>

	As at March 31, 2026	As at March 31, 2025
<b>8 Current tax Assets</b>		
Advance income tax [net of provision]	-	40.05
	-	<b>40.05</b>

	As at March 31, 2026	As at March 31, 2025
<b>8(a) Current tax Liabilities</b>		
Provision for Income Tax [net of advance tax]	60.88	-
	<b>60.88</b>	-

	As at March 31, 2026	Charge/(Benefit) during the year	As at March 31, 2025
<b>9 Deferred tax assets (Net)</b>			
Deferred tax relates to the following:			
<b>Deferred tax assets</b>			
On lease liabilities (net)	20.92	8.82	12.10
On Impairment on financial instruments	125.14	44.91	80.23
On Impairment (others)	16.30	(6.36)	22.66
On provision for Leave Encashment	3.88	1.94	1.94
On Unamortized PF incomes	70.47	70.47	-
<b>Gross deferred tax assets</b>	<b>236.71</b>	<b>119.78</b>	<b>116.93</b>
<b>Deferred tax liabilities</b>			
On property, plant and equipment	(37.75)	(7.12)	(30.63)
On gain on derecognition of financial assets	(164.30)	3.55	(167.85)
On Items recognised in OCI	(2.08)	0.55	(2.63)
On Unamortized Expenses	(186.36)	(186.36)	-
<b>Gross deferred tax liabilities</b>	<b>(390.50)</b>	<b>(189.39)</b>	<b>(201.11)</b>
<b>Net Deferred tax Asset/(Liability)</b>	<b>(153.78)</b>	<b>(69.60)</b>	<b>(84.18)</b>

The components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:

	Year ended March 31, 2026	Year ended March 31, 2025
<b>Income Tax Expense recognised in the statement of profit &amp; loss</b>		
Current tax	170.73	-
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	(30.99)	108.54
Earlier year tax adjustments	99.06	(12.21)
	<b>238.80</b>	<b>96.33</b>
<b>Income Tax Expense recognised in Other Comprehensive Income</b>		
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	(1.76)	(3.45)
	(1.76)	(3.45)
<b>Total Income Tax Expense</b>	<b>237.04</b>	<b>92.88</b>

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2026 and the year ended March 31, 2025 is, as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
<b>Particulars</b>		
Accounting profit before tax	707.47	610.18
At India's statutory income tax rate of 25.168%	178.06	153.57
Non-deductible expenses	0.03	(27.67)
Additional Tax allowances	(43.70)	(35.64)
Earlier year tax adjustments	99.06	(12.21)
Others	5.35	18.28
<b>Income tax expense reported in the statement of profit and loss</b>	<b>238.80</b>	<b>96.33</b>

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. Also there are no previously unrecorded income and unrelated assets which are to be recorded in the books of accounts during the year.

M/S CREDIFIN LIMITED  
(formerly known as PHF Leasing Ltd.)  
CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

10 Property, Plant and Equipment-Tangible assets

	Gross block				Depreciation				Net block	
	As at	Additions	Deductions	Up to	As at	For the	On Deductions	Up to	As at	As at
	April 01, 2025			March 31, 2026	April 01, 2025	year		March 31, 2026	March 31,2025	March 31, 2026
<b>Owned assets</b>										
Leasehold Improvements	134.81	52.09	-	186.90	4.75	2.72	-	7.47	130.06	179.43
Furniture and fixtures	75.56	2.89	-	78.45	19.27	7.10	-	26.37	56.29	52.08
Vehicles	42.38	38.54	16.76	64.16	12.38	8.84	15.02	6.20	30.00	57.96
Electical Equipments	39.59	3.73	0.44	42.88	7.83	3.87	0.40	11.30	31.76	31.58
Office equipments	63.23	8.27	-	71.50	4.23	12.34	-	16.57	59.00	54.93
Computers	82.69	28.70	-	111.39	45.30	22.60	-	67.90	37.39	43.49
<b>Total</b>	<b>438.26</b>	<b>134.22</b>	<b>17.20</b>	<b>555.28</b>	<b>93.76</b>	<b>57.47</b>	<b>15.42</b>	<b>135.81</b>	<b>344.50</b>	<b>419.47</b>

10(a) Capital work-in-progress

Guest house under construction	14.85	35.26	48.93	1.17	-	-	-	-	14.85	1.17
	<b>14.85</b>	<b>35.26</b>	<b>48.93</b>	<b>1.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.85</b>	<b>1.17</b>

CWIP Ageing Schedule

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.17	-	-	-	1.17
Projects temporarily suspended	-	-	-	-	-

10(b) Other intangible Assets

	Gross block				Depreciation				Net block	
	As at	Additions	Deductions	Up to	As at	For the	On Deductions	Up to	As at	As at
	April 01, 2025			March 31, 2026	April 01, 2025	year		March 31, 2026	March 31,2025	March 31, 2026
Software Licence	199.75	1.68	-	201.43	23.26	20.08	-	43.34	176.49	158.09
	<b>199.75</b>	<b>1.68</b>	<b>-</b>	<b>201.43</b>	<b>23.26</b>	<b>20.08</b>	<b>-</b>	<b>43.34</b>	<b>176.49</b>	<b>158.09</b>

11 Right of Use assets

	Gross block				Amortization				Net block	
	As at	Additions/	Deductions/	Up to	As at	For the	On Deductions/	Up to	As at	As at
	April 01, 2025	Adjustments	Adjustments	March 31, 2026	April 01, 2025	year	Adjustments	March 31, 2026	March 31,2025	March 31, 2026
Office buildings	576.27	202.37	26.22	752.42	146.42	110.02	13.08	243.36	429.85	509.06
<b>Total</b>	<b>576.27</b>	<b>202.37</b>	<b>26.22</b>	<b>752.42</b>	<b>146.42</b>	<b>110.02</b>	<b>13.08</b>	<b>243.36</b>	<b>429.85</b>	<b>509.06</b>

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

(ii) The Company does not own any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).

(iii) No revaluation made during the year and previous year.

M/S CREDIFIN LIMITED

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CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

12 Other non financial assets

Prepaid Expenses  
Other non-financial assets

As at March 31, 2026	As at March 31, 2025
35.92	22.42
68.94	42.04
<b>104.86</b>	<b>64.46</b>

13 Payables

(I) Trade payables

(a) Total outstanding dues of micro enterprises and small enterprises  
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises

As at March 31, 2026	As at March 31, 2025
-	-
1,855.43	1,074.81
<b>1,855.43</b>	<b>1,074.81</b>

(II) Other payables

(a) Total outstanding dues of micro enterprises and small enterprises  
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises  
- Other Payables

As at March 31, 2026	As at March 31, 2025
5.10	3.60
5.14	7.71
<b>10.24</b>	<b>11.31</b>

Disclosure relating to suppliers registered under MSMED Act based on the information available with the NBFC:

Particulars

(a) Amount remaining unpaid to any supplier at the end of each accounting year:

Principal  
Interest  
Total

As at March 31, 2026	As at March 31, 2025
5.10	3.60
-	-
<b>5.10</b>	<b>3.60</b>

(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.

(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.

(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.

(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.

-	-
-	-
-	-

Payables Ageing schedule

As at 31st March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	5.10	-	-	-	-	5.10
ii. Others	-	1,747.55	113.02	-	-	1,860.57
iii. Disputed Dues - MSME	-	-	-	-	-	-
iv. Disputed Dues - Others	-	-	-	-	-	-

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	3.60	-	-	-	-	3.60
ii. Others	-	1,082.52	-	-	-	1,082.52
iii. Disputed Dues - MSME	-	-	-	-	-	-
iv. Disputed Dues - Others	-	-	-	-	-	-

14 Debt Securities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>At amortised cost</b>		
Debentures	6,119.82	4,088.94
Borrowing under securitization arrangement	781.82	-
<b>Total (A)</b>	<b>6,901.64</b>	<b>4,088.94</b>
Debt securities in India	6,901.64	4,088.94
Debt securities outside India	-	-
<b>Total (B)</b>	<b>6,901.64</b>	<b>4,088.94</b>

(A) Debentures

Terms and conditions:

Redeemable non-convertible debentures (NCD) -Secured of Rs.1000/-, Rs.10000/- and Rs.100000/- each

Nature of Security: Secured on Book Debts

Terms of repayment as on March 31, 2026

Repayment terms	Rate of interest		Total
	<10%	>=10%<=16%	
Over 60 months	-	2,520.41	2,520.41
48-60 months	-	398.87	398.87
36-48 months	-	131.83	131.83
24-36 months	-	87.77	87.77
12-24 months	-	1,796.87	1,796.87
Upto 12 months	-	1,184.07	1,184.07
<b>Total</b>	-	<b>6,119.82</b>	<b>6,119.82</b>

Terms of repayment as on March 31, 2025

Repayment terms	Rate of interest		Total
	<10%	>=10%<=16%	
Over 60 months	-	1,073.59	1,073.59
48-60 months	-	32.89	32.89
36-48 months	-	83.89	83.89
24-36 months	-	328.80	328.80
12-24 months	-	2,564.90	2,564.90
Upto 12 months	4.87	-	4.87
<b>Total</b>	<b>4.87</b>	<b>4,084.07</b>	<b>4,088.94</b>

(B) Borrowing under securitization arrangement

Terms of repayment as on March 31, 2026

Repayment terms	Rate of interest	Amount
Upto 12 months	11.90%	781.82

During the year there were no defaults in the repayment of principal and interest.

15 Borrowing (Other than Debt Securities)

Particulars	As at March 31, 2026	As at March 31, 2025
<b>At amortised cost (Secured)</b>		
(a) Overdrafts		
(i) from banks	1,000.40	-
(b) Term loans		
(i) from banks - Term Loans	3,377.73	4,176.43
(ii) from banks - Term Loan For Car	39.48	17.92
(iii) from corporates -INR	10,882.89	8,537.11
<b>Total (A)</b>	<b>15,300.50</b>	<b>12,731.46</b>
Borrowings in India	15,300.50	12,731.46
Borrowings outside India	-	-
<b>Total (B)</b>	<b>15,300.50</b>	<b>12,731.46</b>

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

As at March 31, 2026

**A Term loans from banks -secured (INR)**

**Terms of repayment**

Nature	Rate of interest	Repayment details	Amount
Over Draft	6.60%-7.90%	On the basis of working capital needs	1,000.40
<b>Term Loan</b>			
Over 60 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	2.93
48-60 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	4.96
36-48 Months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	4.57
24-36 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	173.69
12-24 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	1,300.20
upto 12 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	1,930.86
<b>Total</b>			<b>4,417.61</b>

**Nature of security**

Hypothecation of hire purchase stock of company & book debt arising out of genuine trade transaction not older than 90 days. Additional charge on residential property situated at Plot No. 275 G, Bhai Randhir Singh Nagar, Vakia Village Sunet, Tehsil and District Ludhiana.

Hypothecation charge on fixed asset(car) of the company.

Nature of security in Over draft Limit is against Fixed Deposit with Banks.

**B Term loans from corporates -secured (INR)**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
36-48 Months	12% to 16%	To be paid on 05/11/21/25th of every month	-
24-36 months	12% to 16%	To be paid on 05/11/21/25th of every month	667.41
12-24 months	12% to 16%	To be paid on 05/11/21/25th of every month	3,788.63
upto 12 months	12% to 16%	To be paid on 05/11/21/25th of every month	6,426.86
<b>Total</b>			<b>10,882.90</b>

**Nature of security:** Exclusive hypothecation of loans receivables.

As at March 31, 2025

**A Term loans from banks -secured (INR)**

**Terms of repayment**

Nature	Rate of interest	Repayment details	Amount
Over Draft	8.10%-8.85%	On the basis of working capital needs	-
<b>Term Loan</b>			
36-48 Months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	3.24
24-36 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	814.28
12-24 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	1,464.38
upto 12 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	1,912.45
<b>Total</b>			<b>4,194.35</b>

**Nature of security**

Hypothecation of hire purchase stock of company & book debt arising out of genuine trade transaction not older than 90 days. Additional charge on residential property situated at Plot No. 275 G, Bhai Randhir Singh Nagar, Vakia Village Sunet, Tehsil and District Ludhiana.

Hypothecation charge on fixed asset(car) of the company.

Nature of security in Over draft Limit is against Fixed Deposit with Banks.

**B Term loans from corporates -secured (INR)**

**Terms of repayment**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Total
36-48 Months	12% to 15%	To be paid on 11/21/25th of every months	-
24-36 months	12% to 15%	To be paid on 11/21/25th of every months	1,026.26
12-24 months	12% to 15%	To be paid on 11/21/25th of every months	3,318.25
upto 12 months	12% to 15%	To be paid on 11/21/25th of every months	4,192.60
<b>Total</b>			<b>8,537.11</b>

**Nature of security:** Exclusive hypothecation of loans receivables.

**Additional Notes**

- (i) During the year there were no defaults in the repayment of principal and interest.
- (ii) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- (iii) The company is not required to submit the Quarterly returns or statements of current assets with banks or financial institutions as no borrowings are secured against the current assets of the company.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution.
- (v) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**16 Subordinated Liabilities**

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Subordinated Debentures	1,330.44	945.27
<b>Total (A)</b>	<b>1,330.44</b>	<b>945.27</b>

**Terms of repayment as on March 31, 2026**

Repayment terms	Rate of interest	Total
	>=10%<=12.5%	
Over 60 months	525.24	525.24
48-60 months	115.18	115.18
36-48 months	19.90	19.90
24-36 months	248.70	248.70
12-24 months	421.42	421.42
Upto 12 months	-	-
<b>Total</b>	<b>1,330.44</b>	<b>1,330.44</b>

During the year there were no defaults in the repayment of principal and interest.

**Terms of repayment as on March 31, 2025**

Repayment terms	Rate of interest	Total
	>=10%<=12.5%	
Over 60 months	300.66	300.66
48-60 months	-	-
36-48 months	247.83	247.83
24-36 months	396.78	396.78
12-24 months	-	-
Upto 12 months	-	-
<b>Total</b>	<b>945.27</b>	<b>945.27</b>

During the year there were no defaults in the repayment of principal and interest.

**17 Deposits**

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised Cost (Unsecured)		
(i)From Corporates	2,877.66	2,987.97
(ii)From Director and its related party	488.44	425.27
	<b>3,366.10</b>	<b>3,413.24</b>

Particulars	As at March 31, 2026	As at March 31, 2025
<b>A Deposits from Corporates - unsecured</b>		
Outstanding balance	INR 2,877.67 lacs	INR 2,987.97 lacs
Terms of repayment	Repayable on demand	Repayable on demand
Rate of Interest	11% p.a-17.5% p.a	11% p.a-17.5% p.a
<b>B Deposits from directors and its related parties - unsecured</b>		
Outstanding balance	INR 488.44 lacs	INR 425.27 lacs
Terms of repayment	Repayable on demand	Repayable on demand
Rate of Interest	11% p.a-12% p.a	11% p.a-14% p.a

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

- 17.1 There is an unsecured loan (exempt deposit) given by Late Mr. S.D.Chugh, Ex Managing Director which is overdue. There is no omission against such unsecured loan. The company has intimated the legal heirs and has also given reminders for production of Succession Certificate but the same has not been produced till date. The company shall make the payment on the said loan as and when the compliance is made by the legal heirs in this regard.

Nature of Borrowing	Name of Lender	Amount not paid on due date	Whether Principal or Interest	No of days delay or unpaid
Deposits from Director	Late Sh. Shiv Dayal Chugh (including HUF)	Rs. 81.55 Lakhs	Principal & Interest	1,851 days

**18 Other Financial Liabilities**

Particulars	As at March 31, 2026	As at March 31, 2025
Payable on account of DA	-	492.80
Other financial liabilities	264.81	451.60
	<u>264.81</u>	<u>944.40</u>

**19 Provisions**

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits	15.40	7.71
	<u>15.40</u>	<u>7.71</u>

**20 Other Non-Financial Liabilities**

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Due Payable	92.53	97.59
	<u>92.53</u>	<u>97.59</u>

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**21 Equity Share capital**

	As at March 31, 2026	As at March 31, 2025
<b>Authorized</b>		
4,00,00,000 (March 31, 2025: 4,00,00,000) equity shares of Rs. 10/- each	4,000.00	4,000.00
	<b>4,000.00</b>	<b>4,000.00</b>
<b>Issued</b>		
30,843,840 (March 31, 2025: 12,401,330) equity shares of Rs. 10/- each	3,084.38	1,240.13
	<b>3,084.38</b>	<b>1,240.13</b>
<b>Subscribed and fully paid-up shares</b>		
30,829,340 (March 31, 2025: 12,386,830) equity shares of Rs. 10/- each	3,082.93	1,238.68
	<b>3,082.93</b>	<b>1,238.68</b>

**(a) Reconciliation of shares outstanding at the beginning and at the end of the year**

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	1,23,86,830	1,238.68	1,23,86,830	1,238.68
Add: Issued & subscribed during the year	1,84,42,510	1,844.25	-	-
Outstanding at the end of the year	<b>3,08,29,340</b>	<b>3,082.93</b>	<b>1,23,86,830</b>	<b>1,238.68</b>

**(b) Rights, preferences and restrictions attached to shares**

The Credifin Limited (Formerly known as PHF Leasing Limited) has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Credifin Limited (Formerly known as PHF Leasing Limited) declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Credifin Limited (Formerly known as PHF Leasing Limited), the holders of equity shares will be entitled to receive remaining assets of the Credifin Limited (Formerly known as PHF Leasing Limited), after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The company has not allotted any equity shares as fully paid up by the way of bonus shares or other than consideration in cash in the last 5 years.

**(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Nitika Shikha Chugh	-	-	5,04,980	4.08%
Agile Finserv Pvt.Ltd.	57,88,200	18.77%	21,88,200	17.67%
Hamco Ispat Private Ltd.	27,50,000	8.92%	9,50,000	7.67%
V P Diagnostics Private Limited	28,50,000	9.24%	1,50,000	1.21%
Kalyana Chakravarthy Pilla	17,40,000	5.64%	17,40,000	14.05%
Glosec Sub Broker and Marketing Services	12,04,600	3.91%	8,44,600	6.82%
Insta Apphanced Private Limited	45,14,650	14.64%	8,14,650	6.58%

**(e) Promoter shareholding**

S.No.	Promoter Name	As at March 31, 2026		As at March 31, 2025		%Change during the year
		No. of Shares	% shareholding	No. of Shares	% shareholding	
1	Nitika Shikha Chugh	-	-	5,04,980	4.08%	100%

S.No.	Promoter Name	As at March 31, 2025		As at March 31, 2024		%Change during the year
		No. of Shares	% shareholding	No. of Shares	% shareholding	
1	Chandan Chugh	-	-	20,000	0.16%	100%
2	Nitika Shikha Chugh	5,04,980	4.08%	6,79,980	5.49%	26%

As per records of the Credifin Limited (Formerly known as PHF Leasing Limited), including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLCO12488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**22 Other Equity**

	As at March 31, 2026	As at March 31, 2025
<b>(a) General Reserve</b>		
Opening balance	29.38	29.38
Add: Transferred from retained earnings	-	-
<b>Closing balance</b>	<b>29.38</b>	<b>29.38</b>
<b>(b) Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)</b>		
Opening balance	336.80	234.03
Add: Transferred from retained earnings	93.73	102.77
<b>Closing balance</b>	<b>430.53</b>	<b>336.80</b>
<b>(c) Other comprehensive income</b>		
Opening balance	25.61	36.82
Add: Net gain/(loss) on equity instrument designated at FVOCI	(3.61)	(7.08)
Add: Remeasurement gain/(loss) on defined benefit plan (net of tax)	6.87	(4.13)
<b>Closing balance</b>	<b>28.87</b>	<b>25.61</b>
<b>(d) Share Premium account</b>		
Opening balance	1,068.76	1,068.76
Add: Issued during the year	2,766.38	-
Less: Expenses during the year	-	-
<b>Closing balance</b>	<b>3,835.14</b>	<b>1,068.76</b>
<b>(e) Share Warrant</b>		
Opening balance	3,109.09	1,661.45
Add: Issued during the year	1,503.16	1,447.64
Less: Allotted during the year	(4,610.63)	-
Less: Transfer to retained earnings	(1.62)	-
<b>Closing balance</b>	<b>-</b>	<b>3,109.09</b>
<b>(f) Retained earnings</b>		
Opening balance	907.14	496.06
Add: Net Profit/(Net Loss) for the current year	468.67	513.85
<b>Add /(Less): Appropriations</b>		
Transfer from Share warrants	1.62	-
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(93.73)	(102.77)
<b>Closing balance</b>	<b>1,283.70</b>	<b>907.14</b>
<b>Total Reserves and surplus</b>	<b>5,607.62</b>	<b>5,476.78</b>

**Nature and purpose of reserves**

**(a) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**(b) Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**

Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

(1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

(3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**(c) Share Warrant**

The company issued and allotted 1,84,60,510 (One Crore Eighty Four Lakhs Sixty Thousand Five Hundred and Ten ) Equity Warrants at a price of Rs. 9/- (Rupees Nine Only) each convertible into equity shares on the balance payment of Rs. 16/- (Rupees Sixteen Only) each later on (i.e. @ Rs. 25/- per equity warrant convertible into equity share of face value of Rs. 10/- each) under the non-promoter category on preferential and private placement basis subject to the shareholder approval in the Extraordinary General Meeting dated March 21, 2024.

The company received balance money on 1,80,95,510 (One Crore Eighty Lakhs Ninety Five Thousand Five Hundred and Ten) Equity Warrants of Rs. 8/- (Rupees Eight Only) each which was later converted into equity share of face value of Rs. 10/- each) under the non-promoter category on preferential and private placement basis.

The company forfeited Rs. 1,62,000 (One Lakh Sixty Two Thousand) on account of only partial payment received from the share warrants holders and this amount was further transferred to the Retained Earnings account.

**(d) Other comprehensive income**

The Company is a shareholder of Capital Small finance Bank Ltd. (CSFB) holding 10,237 equity shares of Rs. 10/- each.

The Fair Valur per Equity Share as on March 31, 2026 as per market rate is Rs. 218.90. The same value has been taken by the company for recording the shares at Fair value which is as per guidance provided under Ind AS 109 as applicable to the company.

Therefore, OCI reserve was created with the differential amount in accordance with Ind AS 109.

Other comprehensive income also includes Remeasurement gain/(loss) on defined benefit plan: Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

**(e) Retained earnings**

Retained earnings are the profits that the Company has earned till date along with the transfer from share warrants on account of forfeiture of partial payment by the warrant holders, less any transfers to statutory reserve and general reserves.

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**23 Revenue from Operations**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
<b>On Financial Assets measured at Amortised Cost</b>		
(i) Interest Income		
Interest on Loans	6,197.95	5,060.01
Interest income from investments	90.15	19.89
Interest on deposits with Banks	95.69	48.72
Income from loan related and other commission services	212.59	161.95
(ii) Gain on derecognition of financial assets	415.17	877.12
<b>Total</b>	<b>7,011.55</b>	<b>6,167.69</b>

**24 Other Income**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
Interest on Income Tax Refund	2.00	0.44
Net Gain(Loss) on derecognition of Property, Plant & Equipment	0.34	-
Commission Income	736.10	135.44
Gain on Lease modification	2.82	1.49
Miscellaneous Income	43.05	32.80
	<b>784.31</b>	<b>170.17</b>

**25 Finance Cost**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
<b>On Financial liabilities measured at amortised cost</b>		
- Interest on deposits	43.40	37.65
- Interest on Inter corporate deposits	388.21	567.63
- Interest on borrowings (other than debt securities)		
- Loan from corporates	1,514.08	951.30
- Loan from banks	504.48	368.68
- Interest on debt securities		
- Debentures	685.58	576.12
- Other interest expense		
- Interest on lease liability	78.86	48.12
- Interest paid on car loan	3.46	1.80
	<b>3,218.07</b>	<b>2,551.30</b>

**26 Impairment on Financial Instruments**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
<b>On financial instruments measured at amortised cost</b>		
Impairment allowance on loans*	178.45	131.64
Impairment on investments and other financial assets	(46.21)	(14.65)
Loss on sale of repossessed vehicle	25.60	263.06
Loss on transfer of stressed loans	334.94	-
	<b>492.78</b>	<b>380.05</b>

\*The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

**Year ended March 31, 2026**

Particulars	General approach			Total
	Stage 1	Stage 2	Stage 3	
Loans and advances to customers	46.16	29.90	102.39	178.45
<b>Total impairment loss</b>	<b>46.16</b>	<b>29.90</b>	<b>102.39</b>	<b>178.45</b>

**Year ended March 31, 2025**

Particulars	General approach			Total
	Stage 1	Stage 2	Stage 3	
Loans and advances to customers	45.86	5.95	79.83	131.64
<b>Total impairment loss</b>	<b>45.86</b>	<b>5.95</b>	<b>79.83</b>	<b>131.64</b>

**27 Employee Benefit Expenses**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
Salaries and wages	2,203.13	1,865.42
Leave Encashment	7.98	4.70
Contribution to provident and other funds	153.28	122.57
Gratuity expenses	37.40	10.37
Staff welfare expenses	19.70	29.91
	<b>2,421.49</b>	<b>2,032.97</b>

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**28 Depreciation and amortization expense**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
Depreciation of property, plant and equipment	57.47	39.01
Depreciation on other intangible assets	20.08	19.97
Depreciation on right-of-use assets	110.02	71.41
	<b>187.57</b>	<b>130.40</b>

**29 Other Expenses**

Particulars	For Year ended March 31, 2026	For Year ended March 31, 2025
Rent, taxes and energy costs	61.00	44.80
Repairs and maintenance	8.38	9.21
Communication costs	36.39	20.92
Printing and stationery	49.83	37.88
Annual day expenses	17.61	12.13
Advertisement and publicity	19.18	33.63
Car running & maintenance expenses	1.95	1.73
Director's fees, allowances and expenses	5.05	1.48
Rates and Taxes	87.75	106.65
Payment to auditor (Refer details below)	15.33	9.31
Legal and Professional charges	161.48	97.16
Lead generation expenses	16.00	-
Insurance	39.55	13.65
Tour & Travelling Expenses	134.62	113.86
Entertainment & Festive Expenses	20.87	13.69
CSR Expenditure	0.75	-
Membership Fees & Subscription	12.70	38.81
Software Development Charges	27.74	7.87
Servicer fees	32.92	45.11
Miscellaneous Expenditure	19.38	25.08
	<b>768.48</b>	<b>632.97</b>

Note : The following is the break-up of Auditors remuneration

Payment to Auditors (exclusive of applicable taxes):	For Year ended March 31, 2026	For Year ended March 31, 2025
Statutory Audit fees*	9.00	7.00
Out of Pocket Expenses	2.98	1.91
Secreterial Audit fees	2.85	-
Tax Audit fees	0.50	0.40
	<b>15.33</b>	<b>9.31</b>

\* The statutory Audit fees includes Rs.1.00 lakh (For March 31, 2025: Nil) pertaining to previous year.

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

30 Earnings/ Loss per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For Year ended March 31, 2026	For Year ended March 31, 2025
Earning / Loss attributable to equity holders	468.67	513.85
Weighted average number of equity shares for basic EPS	216.33	123.87
Weighted average number of equity shares for diluted EPS	216.33	190.48
Basic Profit/Loss per share (INR)	2.17	4.15
Diluted Profit/Loss per share (INR)	2.17	2.70

31 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss

	For Year ended March 31, 2026	For Year ended March 31, 2025
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 27)	153.28	122.57

(B) Defined benefit plans - Gratuity payable to employees

(C) Other long term employee benefits - Leave Encashment

i) Impact of New Labour Codes

On November 21, 2025, the Government of India notified four Labour Codes, Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020, consolidating 29 labour laws. The Ministry of Labour & Employment also issued draft central rules and FAQs to facilitate impact assessment. Based on the best available information and guidance from the Institute of Chartered Accountants of India, the Company recognized an incremental impact in the financial year ended March 31, 2026 amounting ₹19.65 lakhs, primarily due to the revised wage definition. The Company will continue to monitor the finalization of Central and State Rules and further Government clarifications, and will record any additional accounting impact, as required.

ii) Actuarial assumptions

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Discount rate (per annum)	7.90%	7.04%	7.90%	7.04%
Rate of increase in Salary	5%	5%	5%	5%
Expected average remaining working lives of employees (years)	26.46	26.80	26.46	27.34
Attrition rate				
Upto 30 years	5%	5%	5%	5%
From 31-44 years	3%	3%	3%	3%
Above 44 years	2%	2%	2%	2%

iii) Changes in the present value of defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Present value of obligation at the beginning of the year	38.06	24.02	7.71	3.01
Interest cost	2.68	1.74	0.54	0.22
Past service cost	16.40	-	3.25	-
Current service cost	21.39	11.17	5.19	2.45
Benefits paid	(1.83)	(4.17)	(0.29)	-
Actuarial (gain) / loss on obligations	(6.28)	5.30	(1.01)	2.03
Present value of obligation at the end of the year	70.41	38.06	15.40	7.71

iv) Expense recognized in the Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Current service cost	21.39	11.17	5.19	2.45
Past service cost	16.40	-	3.25	-
Interest cost	2.68	1.74	0.54	0.22
Expected return on plan assets	(3.06)	(2.55)	-	-
Actuarial (gain) / loss on obligations	-	-	(1.01)	2.03
<b>Total expenses recognized in the Statement Profit and Loss*</b>	<b>37.40</b>	<b>10.37</b>	<b>7.98</b>	<b>4.70</b>

\*Included in Employee benefits expense (Refer Note 27).

## v) Change in plan assets

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Fair value of plan assets at the beginning of the period	43.46	35.11	-	-
Actual return on plan assets	5.96	2.32	-	-
Employer contribution	33.90	10.20	-	-
Benefits paid	(1.83)	(4.17)	-	-
Fair value of plan assets at the end of the period	<b>81.49</b>	<b>43.46</b>	-	-

## vi) Assets and liabilities recognized in the Balance Sheet:

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Present value of unfunded obligation as at the end of the year	70.41	38.06	15.40	7.71
Fair value of plan assets	81.49	43.46	-	-
Unfunded net asset / (liability) recognized in Balance Sheet	<b>11.08</b>	<b>5.40</b>	<b>(15.40)</b>	<b>(7.71)</b>

## vii) Other Comprehensive Income

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
a) Net cumulative unrecognized actuarial gain/(loss) opening	-	-	-	-
b) Actuarial loss / (gain) for the year on PBO	-	-	(6.28)	(5.30)
c) Actuarial loss / (gain) for the year on Asset	-	-	(2.90)	(0.22)
d) Unrecognized actuarial loss/(gain) for the year	-	-	(9.18)	(5.52)

## viii) Major categories of plan assets (as percentage of plan assets)

The Company contributes all ascertained liabilities to The LIC fund. Due to non-availability of information, the management could not disclose the major categories of plan assets in accordance with requirements of Ind-AS 19 "Employee Benefits". Management has made due efforts in collating the information but was unable to gather the information. This information is neither available for past periods nor for current year.

## ix) Expected contribution to the fund in the next year

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Gratuity/Leave Encashment	27.26	17.43	6.30	3.12

## x) A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is as shown below:

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
<b>Impact on defined benefit obligation</b>				
<b>Discount rate</b>				
0.5% increase	(4.02)	(2.18)	(0.96)	(0.44)
0.5% decrease	4.42	2.40	1.03	0.48
<b>Rate of increase in salary</b>				
0.5% increase	3.95	2.12	1.07	0.49
0.5% decrease	(3.64)	(2.17)	(0.97)	(0.45)

## xi) Maturity profile of defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	For Year ended March 31, 2026	For Year ended March 31, 2025	For Year ended March 31, 2026	For Year ended March 31, 2025
Year				
0 to 1 Year	5.28	-	1.02	-
1 to 2 Year	1.53	1.47	0.47	0.78
2 to 3 Year	1.57	1.80	0.44	0.29
3 to 4 Year	2.58	0.97	0.85	0.21
4 to 5 Year	2.26	1.50	0.47	0.20
5 to 6 Year	7.09	1.28	0.62	0.31
6 Year onwards	50.10	31.04	11.53	5.91

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**32 Leases where company is a lessee**

(A)(ia) Changes in the carrying value of Right-of-use Assets

Particulars	Asset Class
	Office Building
Balance as at April 1, 2024	266.49
Additions	241.18
Deletion	(27.26)
Depreciation	(71.41)
Depreciation on deletion	20.85
Balance as at March 31, 2025	429.85
Additions	202.37
Deletion	(26.22)
Depreciation	(110.02)
Depreciation on deletion	13.08
Balance as at March 31, 2026	509.06

(ib) Changes in the Lease liabilities

Particulars	Asset Class
	Office Building
Balance as at April 1, 2024	301.27
Additions	237.31
Deletion	(7.90)
Interest	48.12
Lease Payments	(100.85)
Balance as at March 31, 2025	477.94
Additions	202.37
Deletion	(15.96)
Interest	78.86
Lease Payments	(151.03)
Balance as at March 31, 2026	592.17

(ii) Break-up of current and non-current lease liabilities

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Current Lease Liabilities	161.82	130.10
Non-current Lease Liabilities	430.35	347.83

(iii) Maturity analysis of lease liabilities (undiscounted)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Less than one year	161.82	130.10
One to five years	524.38	450.17
More than five years	170.90	80.84

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	For Year ended	For Year ended
	March 31, 2026	March 31, 2025
Interest on Lease Liabilities	78.86	48.12
Depreciation on Right of Use asset	110.02	71.41
<b>Total</b>	<b>188.88</b>	<b>119.53</b>

(v) Amounts recognised in statement of Cash Flows

Particulars	For Year ended	For Year ended
	March 31, 2026	March 31, 2025
Total Cash outflow for leases	72.18	52.74

**33 Segment information**

The primary reporting of the Company has been performed on the basis of business segment. The Company is primarily engaged in the business of financing. The Chief Operating Decision Maker (CODM) reviews all resources are predominantly used for development of outsourcing business and the entire activities are governed by the same set of risks and returns and hence have been considered as representing a single segment. Hence no separate segment information has been furnished herewith.

**34 Expenditure and Earnings in foreign currency**

There are no expenditure or earnings in foreign currency for the year ended March 31, 2026 and March 31, 2025.

35 Related party disclosures

(a) Names of the related parties and related party relationship

Relationship	Name of Party
(i) Promoter and Promotor group	Mr. Chandan Chugh Ms. Nitika Shikha Chugh
(ii) Entities owned or significantly influenced by Key Managerial Personnel or their relatives	Hamco Ispat Pvt. Ltd. Agile Finserv Pvt. Ltd. Dinesh Gupta & Co DSB Law Group DSB Tax Consultant
(iii) Director/Key management personnel or their relatives	Mr. Vijay Kumar Sareen (Whole-Time Director) Mr. Meghal Gupta (Director) Mr. Ashwani Kumar Jindal (Independent Director) Ms. Aditi Kapur (Independent Director) Mr. Sunil Kumar Mehta (Independent Director) Mr. Kumar Shalya Gupta (Managing Director & Chief Executive Officer) Ms. Shikha Kapoor (Company Secretary) (Resigned on November 11, 2025) Ms. Manika Arora (Company Secretary) Mr. Kuldeep Bhandari (Chief Financial Officer) Mr. Dinesh Gupta (Father of Managing Director) Ms. Deepali Gupta (Mother of Managing Director) Mr. Manthan Gupta (Director's Brother) Mr. Aashim Sareen (Director's Son) Mr. Aarish Sareen (Director's Son) Ms. Sangeeta Sareen (Director's Wife) Ms. Swati Gupta (Director's Daughter in law) Mr. Shant Kumar Gupta (Director's Father) Shant Kumar Gupta HUF (HUF of Director's Father) Dinesh Gupta HUF (HUF of Director's Father) Ms. Neha Gupta (Director's Mother) Ms. Arushi Gupta (Director's wife) Ms. Rekha Jindal (Director's wife) Ms. Isha Jindal (Director's daughter) Ms. Meenu Chawla (Director's Daughter) Ms. Parveen Arora (Director's Sister) Ms. Sonal Dhawan (Director's Daughter)

## (b) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Particulars	Promoter and Promoter group		Entities owned or significantly influenced by Key Managerial Personnel or their relatives		Director		Relatives of Director		Key management personnel		Relatives of Key management personnel		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	<b>Transactions during the year</b>														
<b>A</b>	<b>Remuneration</b>														
	Mr. Vijay Kumar Sareen	-	-	-	-	19.44	17.51	-	-	-	-	-	-	19.44	17.51
	Mr. Kumar Shalya Gupta	-	-	-	-	113.52	89.86	-	-	-	-	-	-	113.52	89.86
	Mr. Kuldip Bhandari	-	-	-	-	-	-	-	-	13.04	11.77	-	-	13.04	11.77
	Ms. Shikha Kapoor	-	-	-	-	-	-	-	-	2.74	5.27	-	-	2.74	5.27
	Ms. Manika Arora	-	-	-	-	-	-	-	-	1.88	-	-	-	1.88	-
<b>B</b>	<b>Professional Fees</b>														
	Mr. Meghal Gupta	-	-	-	-	19.17	12.00	-	-	-	-	-	-	19.17	12.00
	Mr. Manthan Gupta	-	-	-	-	-	-	11.29	16.08	-	-	-	-	11.29	16.08
	Mr. Chandan Chugh	1.50	3.60	-	-	-	-	-	-	-	-	-	-	1.50	3.60
<b>C</b>	<b>Rent</b>														
	Ms. Sangeeta Sareen	-	-	-	-	-	-	2.71	2.57	-	-	-	-	2.71	2.57
	Ms. Deepali Gupta	-	-	-	-	-	-	18.00	-	-	-	-	-	18.00	-
	Mr. Dinesh Gupta	-	-	-	-	-	-	12.00	-	-	-	-	-	12.00	-
	Agile Finserv Pvt. Ltd.	-	-	9.60	-	-	-	-	-	-	-	-	-	9.60	-
<b>D</b>	<b>Director Meeting Fees</b>														
	Mr. Sunil Kumar Mehta	-	-	-	-	2.65	-	-	-	-	-	-	-	2,65,000.00	-
	Mr. Ashwani Kumar Jindal	-	-	-	-	1.30	0.66	-	-	-	-	-	-	1.30	0.66
	Mr. Vijay Kumar Bhandari	-	-	-	-	-	0.11	-	-	-	-	-	-	-	0.11
	Ms. Aditi Kapur	-	-	-	-	1.10	0.55	-	-	-	-	-	-	1.10	0.55
	Mr. Chandan Chugh	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>E</b>	<b>Interest on Deposits/NCD's taken</b>														
	Mr. Vijay Kumar Sareen	-	-	-	-	7.29	5.91	-	-	-	-	-	-	7.29	5.91
	Mr. Ashwani Kumar Jindal	-	-	-	-	0.80	-	-	-	-	-	-	-	0.80	-
	Mr. Aashim Sareen	-	-	-	-	-	-	10.32	9.12	-	-	-	-	10.32	9.12
	Mr. Aarish Sareen	-	-	-	-	-	-	1.99	1.81	-	-	-	-	1.99	1.81
	Ms. Sangeeta Sareen	-	-	-	-	-	-	10.60	7.76	-	-	-	-	10.60	7.76
	Ms. Swati Gupta	-	-	-	-	-	-	5.85	5.08	-	-	-	-	5.85	5.08
	Mr. Meghal Gupta	-	-	-	-	5.81	2.14	-	-	-	-	-	-	5.81	2.14
	Mr. Manthan Gupta	-	-	-	-	-	-	1.52	0.97	-	-	-	-	1.52	0.97
	Mr. Shant Kumar Gupta	-	-	-	-	-	-	0.84	7.18	-	-	-	-	0.84	7.18
	Ms. Neha Gupta	-	-	-	-	-	-	1.05	3.32	-	-	-	-	1.05	3.32
	Ms. Arushi Gupta	-	-	-	-	-	-	1.22	0.68	-	-	-	-	1.22	0.68
	Ms. Rekha Jindal	-	-	-	-	-	-	0.89	1.69	-	-	-	-	0.89	1.69
	Ms. Isha Jindal	-	-	-	-	-	-	2.01	-	-	-	-	-	2.01	-
	Ms. Parveen Arora	-	-	-	-	-	-	2.02	1.47	-	-	-	-	2.02	1.47
	Ms. Meenu Chawla	-	-	-	-	-	-	2.40	7.13	-	-	-	-	2.40	7.13
	Ms. Sonal Dhawan	-	-	-	-	-	-	2.40	7.13	-	-	-	-	2.40	7.13
	Hamco Ispat Pvt. Ltd.	-	-	-	2.02	-	-	-	-	-	-	-	-	-	2.02
	Agile Finserv Pvt. Ltd.	-	-	9.60	-	-	-	-	-	-	-	-	-	9.60	-
	Mr. Kuldip Bhandari	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
	Ms. Shikha Kapoor	-	-	-	-	-	-	-	-	-	0.10	-	-	-	0.10
	Shant Kumar Gupta HUF	-	-	-	-	-	-	3.25	2.81	-	-	-	-	3.25	2.81
<b>F</b>	<b>Professional Charges</b>														
	Dinesh Gupta & Co	-	-	12.03	6.21	-	-	-	-	-	-	-	-	12.03	6.21
	DSB Law Group	-	-	12.03	6.21	-	-	-	-	-	-	-	-	12.03	6.21
	Dinesh Gupta	-	-	-	-	-	-	10.48	5.75	-	-	-	-	10.48	5.75
	DSB Tax Consultant	-	-	5.73	3.11	-	-	-	-	-	-	-	-	5.73	3.11
<b>G</b>	<b>Reimbursement of Expenses</b>														
	Dinesh Gupta	-	-	-	-	-	-	9.90	15.27	-	-	-	-	9.90	15.27
	Meghal Gupta	-	-	-	-	-	2.02	-	-	-	-	-	-	-	2.02
	Kumar Shalya Gupta	-	-	-	-	10.65	1.17	-	-	-	-	-	-	10.65	1.17
	Vijay Kumar Sareen	-	-	-	-	0.61	0.25	-	-	-	-	-	-	0.61	0.25
	Kuldip Bhandari	-	-	-	-	-	-	-	-	0.05	-	-	-	0.05	-

	Particulars	Promoter and Promoter group		Entities owned or significantly influenced by Key Managerial Personnel or their relatives		Director		Relatives of Director		Key management personnel		Relatives of Key management personnel		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
F	<b>Shares Issued</b>														
	Mr. Aarish Sareen	-	-	-	-	-	-	6.00	-	-	-	-	-	6.00	-
	Mr. Aashim Sareen	-	-	-	-	-	-	3.00	-	-	-	-	-	3.00	-
	Ms. Aditi Kapur	-	-	-	-	2.75	-	-	-	-	-	-	-	2.75	-
	Agile Finserv Pvt. Ltd.	-	-	900.00	-	-	-	-	-	-	-	-	-	900.00	-
	Hamco Ispat Pvt. Ltd.	-	-	450.00	-	-	-	-	-	-	-	-	-	450.00	-
	Mr. Ashwani Kumar Jindal	-	-	-	-	300.00	-	-	-	-	-	-	-	300.00	-
	Mr. Kumar Shalya Gupta	-	-	-	-	75.00	-	-	-	-	-	-	-	75.00	-
	Dinesh Gupta HUF	-	-	-	-	-	-	6.00	-	-	-	-	-	6.00	-
	Ms. Kanika Gupta	-	-	-	-	-	-	30.00	-	-	-	-	-	30.00	-
	Mr. Kuldip Bhandari	-	-	-	-	-	-	-	-	6.00	-	-	-	6.00	-
	Ms. Sangeeta Sareen	-	-	-	-	-	-	6.00	-	-	-	-	-	6.00	-
	Ms. Swati Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mr. Vijay Kumar Sareen	-	-	-	-	9.00	-	-	-	-	-	-	-	9.00	-
H	<b>Deposits Taken</b>														
	Mr. Vijay Kumar Sareen	-	-	-	-	22.31	26.81	-	-	-	-	-	-	22.31	26.81
	Ms. Sangeeta Sareen	-	-	-	-	-	-	33.42	14.50	-	-	-	-	33.42	14.50
	Mr. Shant Kumar Gupta	-	-	-	-	-	-	6.15	2.25	-	-	-	-	6.15	2.25
	Ms. Neha Gupta	-	-	-	-	-	-	5.90	1.12	-	-	-	-	5.90	1.12
	Mr. Meghal Gupta	-	-	-	-	12.12	23.81	-	-	-	-	-	-	12.12	23.81
	Mr. Ashwani Kumar Jindal	-	-	-	-	16.00	-	-	-	-	-	-	-	16.00	-
	Mr. Manthan Gupta	-	-	-	-	-	-	5.00	1.50	-	-	-	-	5.00	1.50
	Ms. Arushi Gupta	-	-	-	-	-	-	3.84	3.73	-	-	-	-	3.84	3.73
	Ms. Isha Jindal	-	-	-	-	-	-	50.00	-	-	-	-	-	50.00	-
	Ms. Parveen Arora	-	-	-	-	-	-	19.19	-	-	-	-	-	19.19	-
	Ms. Meenu Chawla	-	-	-	-	-	-	-	51.00	-	-	-	-	-	51.00
	Ms. Sonal Dhawan	-	-	-	-	-	-	-	51.00	-	-	-	-	-	51.00
	Mr. Aashim Sareen	-	-	-	-	-	-	-	50.26	-	-	-	-	-	50.26
	Mr. Aarish Sareen	-	-	-	-	-	-	13.41	-	-	-	-	-	13.41	-
	Ms. Swati Gupta	-	-	-	-	-	-	-	13.42	-	-	-	-	-	13.42
	Shant Kumar Gupta HUF	-	-	-	-	-	-	43.75	-	-	-	-	-	43.75	-
	Ms. Rekha Jindal	-	-	-	-	-	-	20.00	25.00	-	-	-	-	20.00	25.00

Particulars	Promoter and Promoter group		Entities owned or significantly influenced by Key Managerial Personnel or their relatives		Director		Relatives of Director		Key management personnel		Relatives of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
<b>Balance outstanding at the year end</b>														
<b>I Outstanding Deposits</b>														
Late Sh. Shiv Dayal Chugh	61.16	61.16	-	-	-	-	-	-	-	-	-	-	61.16	61.16
Mr. Vijay Kumar Sareen	-	-	-	-	58.59	39.16	-	-	-	-	-	-	58.59	39.16
Mr. Ashwani Kumar Jindal	-	-	-	-	16.72	-	-	-	-	-	-	-	16.72	-
Mr. Aashim Sareen	-	-	-	-	-	-	56.36	51.85	-	-	-	-	56.36	51.85
Ms. Isha Jindal	-	-	-	-	-	-	31.44	-	-	-	-	-	31.44	-
Ms. Sangeeta Sareen	-	-	-	-	-	-	73.85	48.16	-	-	-	-	73.85	48.16
Ms. Swati Gupta	-	-	-	-	-	-	15.64	14.12	-	-	-	-	15.64	14.12
Ms. Parveen Arora	-	-	-	-	-	-	20.70	14.38	-	-	-	-	20.70	14.38
Mr. Aarish Sareen	-	-	-	-	-	-	13.73	12.43	-	-	-	-	13.73	12.43
Mr. Shant Kumar Gupta	-	-	-	-	-	-	9.19	2.28	-	-	-	-	9.19	2.28
Ms. Neha Gupta	-	-	-	-	-	-	7.62	1.13	-	-	-	-	7.62	1.13
Mr. Meghal Gupta	-	-	-	-	-	-	40.28	24.31	-	-	-	-	40.28	24.31
Mr. Manthan Gupta	-	-	-	-	-	-	7.05	1.52	-	-	-	-	7.05	1.52
Ms. Arushi Gupta	-	-	-	-	-	-	10.79	7.33	-	-	-	-	10.79	7.33
Ms. Meenu Chawla	-	-	-	-	-	-	-	51.00	-	-	-	-	-	51.00
Ms. Sonal Dhawan	-	-	-	-	-	-	-	51.00	-	-	-	-	-	51.00
Ms. Rekha Jindal	-	-	-	-	-	-	-	25.04	-	-	-	-	-	25.04
Shant Kumar Gupta HUF	-	-	-	-	-	-	44.97	0.00	-	-	-	-	44.97	-
<b>J Outstanding Debentures</b>														
Mr. Vijay Kumar Sareen	-	-	-	-	16.85	16.21	-	-	-	-	-	-	16.85	16.21
Mr. Aashim Sareen	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
Mr. Aarish Sareen	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
Ms. Sangeeta Sareen	-	-	-	-	-	-	20.64	19.64	-	-	-	-	20.64	19.64
Ms. Swati Gupta	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
Ms. Neha Gupta	-	-	-	-	-	-	3.54	3.18	-	-	-	-	3.54	3.18
Mr. Meghal Gupta	-	-	-	-	13.88	12.50	-	-	-	-	-	-	13.88	12.50
Mr. Manthan Gupta	-	-	-	-	-	-	8.54	7.71	-	-	-	-	8.54	7.71
Ms. Arushi Gupta	-	-	-	-	-	-	1.52	1.37	-	-	-	-	1.52	1.37
Shant Kumar Gupta HUF	-	-	-	-	-	-	17.09	15.46	-	-	-	-	17.09	15.46
Agile Finserv Pvt. Ltd.	-	-	87.16	78.53	-	-	-	-	-	-	-	-	87.16	78.53
<b>K Outstanding Subordinated Debts</b>														
Ms. Swati Gupta	-	-	-	-	-	-	32.17	28.92	-	-	-	-	32.17	28.92
Ms. Sangeeta Sareen	-	-	-	-	-	-	8.00	8.00	-	-	-	-	8.00	8.00
Mr. Aashim Sareen	-	-	-	-	-	-	32.17	28.92	-	-	-	-	32.17	28.92

	Particulars	Promoter and Promoter group		Entitles owned or significantly influenced by Key Managerial Personnel or their relatives		Director		Relatives of Director		Key management personnel		Relatives of Key management personnel		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	<b>Maximum balance outstanding during the year</b>														
L	<b>Outstanding Deposits</b>														
	Late Sh. Shiv Dayal Chugh	61.16	61.16	-	-	-	-	-	-	-	-	-	-	61.16	61.16
	Mr. Vijay Kumar Sareen	-	-	-	-	59.88	39.16	-	-	-	-	-	-	59.88	39.16
	Mr. Ashwani Kumar Jindal	-	-	-	-	16.72	-	-	-	-	-	-	-	16.72	-
	Ms. Isha Jindal	-	-	-	-	-	-	51.85	-	-	-	-	-	51.85	-
	Mr. Aashim Sareen	-	-	-	-	-	-	56.36	51.85	-	-	-	-	56.36	51.85
	Ms. Sangeeta Sareen	-	-	-	-	-	-	85.95	48.16	-	-	-	-	85.95	48.16
	Ms. Swati Gupta	-	-	-	-	-	-	15.64	14.12	-	-	-	-	15.64	14.12
	Ms. Parveen Arora	-	-	-	-	-	-	28.95	14.38	-	-	-	-	28.95	14.38
	Mr. Aarish Sareen	-	-	-	-	-	-	13.73	12.43	-	-	-	-	13.73	12.43
	Mr. Shant Kumar Gupta	-	-	-	-	-	-	9.19	6.94	-	-	-	-	9.19	6.94
	Ms. Neha Gupta	-	-	-	-	-	-	7.62	1.13	-	-	-	-	7.62	1.13
	Mr. Meghal Gupta	-	-	-	-	40.28	24.31	-	-	-	-	-	-	40.28	24.31
	Mr. Manthan Gupta	-	-	-	-	-	-	7.05	5.75	-	-	-	-	7.05	5.75
	Ms. Arushi Gupta	-	-	-	-	-	-	10.79	7.33	-	-	-	-	10.79	7.33
	Ms. Meenu Chawla	-	-	-	-	-	-	51.00	51.00	-	-	-	-	51.00	51.00
	Ms. Sonal Dhawan	-	-	-	-	-	-	51.00	51.00	-	-	-	-	51.00	51.00
	Ms. Rekha Jindal	-	-	-	-	-	-	45.89	25.04	-	-	-	-	45.89	25.04
	Shant Kumar Gupta HUF	-	-	-	-	-	-	44.97	0.28	-	-	-	-	44.97	0.28
	Hamco Ispat Pvt. Ltd.	-	-	-	5.76	-	-	-	-	-	-	-	-	-	5.76
M	<b>Outstanding Debentures (MAX)</b>														
	Mr. Vijay Kumar Sareen	-	-	-	-	16.85	16.21	-	-	-	-	-	-	16.85	16.21
	Mr. Aashim Sareen	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
	Mr. Aarish Sareen	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
	Ms. Sangeeta Sareen	-	-	-	-	-	-	20.64	19.64	-	-	-	-	20.64	19.64
	Ms. Swati Gupta	-	-	-	-	-	-	5.00	5.00	-	-	-	-	5.00	5.00
	Mr. Shant Kumar Gupta	-	-	-	-	-	-	-	65.57	-	-	-	-	-	65.57
	Ms. Neha Gupta	-	-	-	-	-	-	3.54	30.40	-	-	-	-	3.54	30.40
	Mr. Meghal Gupta	-	-	-	-	13.88	12.50	-	-	-	-	-	-	13.88	12.50
	Mr. Manthan Gupta	-	-	-	-	-	-	8.54	7.71	-	-	-	-	8.54	7.71
	Ms. Arushi Gupta	-	-	-	-	-	-	1.52	1.37	-	-	-	-	1.52	1.37
	Ms. Rekha Jindal	-	-	-	-	-	-	-	15.82	-	-	-	-	-	15.82
	Agile Finserv Pvt. Ltd.	-	-	87.16	78.53	-	-	-	-	-	-	-	-	87.16	78.53
	Shant Kumar Gupta HUF	-	-	-	-	-	-	17.09	80.44	-	-	-	-	17.09	80.44
	Hamco Ispat Pvt. Ltd.	-	-	-	69.05	-	-	-	-	-	-	-	-	-	69.05
N	<b>Outstanding Subordinated Debts</b>														
	Ms. Swati Gupta	-	-	-	-	-	-	32.17	28.92	-	-	-	-	32.17	28.92
	Ms. Sangeeta Sareen	-	-	-	-	-	-	8.00	8.00	-	-	-	-	8.00	8.00
	Mr. Aashim Sareen	-	-	-	-	-	-	32.17	28.92	-	-	-	-	32.17	28.92

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**36 Fair values of financial assets and financial liabilities**

The fair value of other current financial assets, cash and cash equivalents, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

**Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**Fair value measurement hierarchy of assets and liabilities**

As at 31st March, 2026	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Cash and Cash Equivalents			5,022.57	5,022.57				-
Bank Balance other than cash and cash equivalent			2362.72	2,362.72				-
Loans			26,024.71	26,024.71			26,024.71	26,024.71
Investments		22.46	908.15	930.61	22.46	908.15		930.61
Investment on securities receipts with ARC	1,278.71			1,278.71		1,292.87		1,292.87
Other Financial Assets			1,822.50	1,822.50				-
	1,278.71	22.46	36,140.65	37,441.82	22.46	2,201.02	26,024.71	28,248.19
<b>Financial Liabilities</b>								
<b>Payables</b>								
(I) Trade Payables			1,855.43	1,855.43				-
(II) Other Payables			10.24	10.24				-
Debt Securities			6,901.64	6,901.64			6,901.64	6,901.64
Borrowings (Other than Debt Securities)			15,300.50	15,300.50			15,300.50	15,300.50
Subordinated Liabilities			1,330.44	1,330.44			1,330.44	1,330.44
Deposits			3,366.10	3,366.10			3,366.10	3,366.10
Lease Liabilities			592.17	592.17				-
Other financial liabilities			264.81	264.81				-
	-	-	29,621.34	29,621.34	-	-	26,898.68	26,898.68

As at 31st March, 2025	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Cash and Cash Equivalents			4,606.86	4,606.86				-
Bank Balance other than cash and cash equivalent			115.75	115.75				-
Loans			22,571.92	22,571.92			22,571.92	22,571.92
Investments		26.62	24.15	50.77	26.62	24.15		50.77
Investment on securities receipts with ARC	513.88			513.88		591.15		591.15
Other Financial Assets			1,662.93	1,662.93				-
	513.88	26.62	28,981.61	29,522.11	26.62	615.31	22,571.92	23,213.84
<b>Financial Liabilities</b>								
<b>Payables</b>								
(I) Trade Payables			1,074.81	1,074.81				-
(II) Other Payables			11.31	11.31				-
Debt Securities			4,088.94	4,088.94			4,088.94	4,088.94
Borrowings (Other than Debt Securities)			12,731.46	12,731.46			12,731.46	12,731.46
Subordinated Liabilities			945.27	945.27			945.27	945.27
Deposits			3,413.24	3,413.24			3,413.24	3,413.24
Lease Liabilities			477.94	477.94				-
Other financial liabilities			944.40	944.40				-
	-	-	23,687.37	23,687.37	-	-	21,178.91	21,178.91

The carrying amount of cash and cash equivalents, loans, deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

**Valuation methodologies of financial instruments not measured at fair value**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

**Short-term financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity.

**Loans and advances to customers**

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual yields.

**Investment in government securities at amortised cost**

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

**Issued debt and borrowings**

The fair value of issued debt is estimated by a discounted cash flow model incorporating interest rate from marketobservable data such as secondary prices for its traded debt.

**Deposits**

The fair value of public deposits, exempt deposits and deposit from corporates is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for deposits of similar tenure and scheme (cumulative/non-cumulative). Inter-corporate deposits are estimated at their carrying amounts due to the short-term maturities of these deposits.

**37 Financial risk management objectives and policies**

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks. The Company does not engage in trading of financial assets for speculative purposes.

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to the risk of changes in market interest rates relates primarily to the NBFC's long-term debt obligations with floating interest rates.

The exposure of Company's financial assets and liabilities to interest rate risk is as follows:

Financial Assets	Floating Rate Instruments	Fixed Rate Instruments
<b>Loans and Advances</b>		
March 31, 2026	-	26,024.71
March 31, 2025	-	22,571.92
<b>Financial Liabilities</b>		
<b>Borrowings</b>		
March 31, 2026	2,563.88	24,334.80
March 31, 2025	2,668.98	18,509.92

The table below illustrates the impact of a 1.00% movement in interest rates on interest income and interest expense on floating loans and floating borrowings respectively for next one year, assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average loans and borrowings outstanding during the year.

Movement in interest rates	Impact on Profit before Tax	
	For Year ended March 31, 2026	For Year ended March 31, 2025
1.00%	(25.64)	(26.69)
(1.00)%	25.64	26.69

**(ii) Price risk**

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in bonds, mutual funds, G-secs, T-Bills, money market instruments etc. The Company is exposed to price risk arising mainly from investments carried at fair value through profit and loss. The company is not carrying any quoted investment at fair value through profit and loss.

**(iii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is not involved in foreign currency exposure.

**(B) Credit risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
<b>Performing</b>	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
<b>Non-performing</b>	90+ dpd

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLCO12488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**Impairment assessment**

The Company's impairment assessment and measurement approach for all the loan portfolio mentioned below.

**Definition of default**

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.

**PD estimation process**

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

The company follows a 2-step PD calculation model in which the historical data is considered to calculate the PD and then the macro-economic factors are taken into consideration to calculate the forecasted PD. The forecasted PD is calculated for base, best and worst scenarios and then the weighted forecasted PD is calculated which is used for ECL calculation.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

**Loss Given Default (LGD)**

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

**Significant increase in credit risk(SICR)**

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customers' ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in "Definition of default" are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

**Forward looking information**

The Company has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate.

**Credit risk exposure analysis**

Particulars	Stage 1	Stage 2	Stage 3	Total
Credit risk exposure (Other than direct assignment)	20,124.43	4,325.04	1,319.15	25,768.62
Credit risk exposure (Direct assignment)	753.31	-	-	753.31
Impairment Allowance on Credit Exposure	(150.02)	(59.03)	(288.17)	(497.22)
<b>Net Credit Risk Exposure</b>	<b>20,727.72</b>	<b>4,266.01</b>	<b>1,030.98</b>	<b>26,024.71</b>

**(C) Liquidity risk**

Liquidity risk is the risk that the NBFC will not be able to meet its financial obligations as they become due. The NBFC manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the NBFC's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
<b>March 31, 2026</b>					
Other payables	10.24	-	-	-	10.24
Trade payables	1,855.43	-	-	-	1,855.43
Debt Securities	197.56	1,768.33	2,415.34	2,520.41	6,901.64
Borrowing (Other than Debt Securities)	3,333.80	6,127.51	5,833.37	5.81	15,300.50
Lease Liabilities (Based on Undiscounted Value)	39.95	121.87	524.38	170.90	857.11
Subordinated Debentures	-	-	805.19	525.25	1,330.44
Deposits	390.65	198.36	2,777.10	-	3,366.10
Other Financial Liabilities	218.09	0.00	46.72	-	264.81
	<b>6,045.74</b>	<b>8,216.07</b>	<b>12,402.10</b>	<b>3,222.37</b>	<b>29,886.28</b>
<b>March 31, 2025</b>					
Other payables	11.31	-	-	-	11.31
Trade payables	1,074.81	-	-	-	1,074.81
Debt Securities	-	4.87	3,010.48	1,073.59	4,088.94
Borrowing (Other than Debt Securities)	1,578.67	4,648.84	6,503.95	-	12,731.46
Lease Liabilities (Based on Undiscounted Value)	32.09	98.01	450.17	80.84	661.11
Subordinated Debentures	-	-	644.60	300.66	945.27
Deposits	85.95	145.13	3,182.16	-	3,413.24
Other Financial Liabilities	742.25	-	202.15	-	944.41
	<b>3,525.09</b>	<b>4,896.84</b>	<b>13,993.52</b>	<b>1,455.09</b>	<b>23,870.55</b>

M/S CREDIFIN LIMITED

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**38 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, borrowings and all other equity reserves attributable to the equity holders.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer Note 43 for the Company's Capital ratios.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

The NBFC has not distributed any dividend to its shareholders. The NBFC monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding NBFC of the NBFC. The NBFC 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.

**39 Contingent liabilities and Commitments (to the extent not provided for)**

a. **Contingent Liability:** The Company does not have any pending litigations against the company which would impact its financial position.

b. **Commitment:** The Company has sanctioned loans which are still to be disbursed amounting to Rs. 212.15 lakhs as on March 31, 2026 (As on March 31, 2025: Rs. 203.51 lakhs).

40 The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**41 Disclosures required for NBFC as per Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025.**

**41.1 Schedule to the Balance Sheet of the company**

Particulars			
Liabilities side		Amount outstanding	Amount overdue
(1)	<b>Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
(a)	Debtures: Secured	6,901.64	-
	: Unsecured	1,330.44	-
	(other than falling within the meaning of public deposits)		
(b)	Deferred Credits	-	-
(c)	Term Loans	3,417.21	-
(d)	Inter-corporate loans and borrowing	13,760.56	-
(e)	Commercial Paper	-	-
(f)	Public Deposits	-	-
(g)	Other Loans- Exempt Deposits	488.44	81.55*
(2)	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
(a)	In the form of Unsecured debtures	-	-
(b)	In the form of partly secured debtures i.e. debtures where there is a shortfall in the value of security	-	-
(c)	Other public deposits	-	-
Assets side		Amount outstanding	
(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
(a)	Secured		25,740.18
(b)	Unsecured		284.53

(4)	<b>Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>		
(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)	<b>Break-up of Investments</b>		
	<b><u>Current Investments</u></b>		
1.	<b><u>Quoted</u></b>		
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
2.	<b><u>Unquoted</u></b>		
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	18.32
	(v)	Others (please specify)	-
	<b><u>Long Term investments</u></b>		
1.	<b><u>Quoted</u></b>		
	(i)	Shares	
		(a) Equity	22.46
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
2.	<b><u>Unquoted</u></b>		
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	889.83
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others-FDR with NBFC	-
	(vi)	Others-Investment in ARC Security receipts	1,278.71

<b>(6) Borrower group-wise classification of assets financed as in (3) and (4) above:</b>				
<b>Category</b>		<b>Amount net of provisions</b>		
		<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
1.	Related Parties			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties		25,740.18	284.53
		<b>Total</b>	<b>25,740.18</b>	<b>284.53</b>
<b>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>				
<b>Category</b>		<b>Market Value/ Break up or Fair Value or NAV</b>	<b>Book Value (Net of Provisions)</b>	
1.	Related Parties		-	-
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties		2,223.48	2,209.32
		<b>Total</b>	<b>2,223.48</b>	<b>2,209.32</b>
<b>(8) Other information</b>				
		<b>Particulars</b>	<b>Amount</b>	
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	
	(b)	Other than related parties	1,319.15	
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	
	(b)	Other than related parties	1,030.98	
(iii)	Assets acquired in satisfaction of debt		-	

\* Refer Note-17.1

**41.2 Loans against gold and silver collateral**

No loans against gold and silver collateral has been given by the Company as at March 31, 2026 and March 31, 2025.

**41.3 Disclosure related to project finance**

No project finance loans has been given by the Company as at March 31, 2026 and March 31, 2025.

**41.4 Non-Fund Based (NFB) Credit Facilities**

The Company has not given any Non-Fund based credit facilities as at March 31, 2026 and March 31, 2025.

**41.5 Disclosure on Co-Lending Arrangements**

Disclosure on the details of Co-Lending Arrangements (CLAs) on an aggregate basis is given below:-

Particulars	As at March 31, 2026
<b>(i) Quantum of CLAs</b>	
Number of CLA partners	3
Number of outstanding CLA cases	5,554
Amount of outstanding CLA cases	5,83,95,015
<b>(ii) Weighted average Interest Rate (%)</b>	12.94%
<b>(iii) Fees Paid (₹ lacs)</b>	-
<b>(iv) Broad sectors in which CLA was made (₹ lacs)</b>	
Vehicle loan	5,83,95,015
<b>(v) Performance of Loans under CLA</b>	
Standard loans (₹ lacs)	5,47,76,699
Non-Performing loans (₹ lacs)	36,18,316
<b>(vi) Default Loss Guarantee (DLG) (if any) (₹ lacs)</b>	-

**41.6 Disclosure relating to Securitisation**

Particulars	As at March 31, 2026	As at March 31, 2025
1. No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	1	-
2. Total amount of securitised assets as per books of the SPEs	785.74	-
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
• First loss	-	-
• Others	-	-
b) On-balance sheet exposures		
• First loss	44.90	-
• Others	112.25	-
4. Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	-
• Others	-	-
ii) Exposure to third party securitisations		
• First loss	-	-
• Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	-
• Others	-	-
ii) Exposure to third party securitisations		
• First loss	-	-
• Others	-	-
5a. Sale consideration received for the securitised assets	785.74	-
5b. Gain / loss on sale on account of securitisation	-	-
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7. Performance of credit enhancement		
Cash Collateral		
(a) Amount paid	-	-
(b) Repayment received	-	-
(c) Outstanding amount	44.90	-
8. Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	-	-
9. Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	-	-
10. Investor complaints		
(a) Directly / Indirectly received and;	-	-
(b) Complaints outstanding	-	-

**41.7 Disclosure of transfer of loan exposure**

a) Details in respect of loans not in default acquired through assignment during the year ended March 31, 2026

Particulars	During the year ended	
	31st March 2026	31st March 2025
Entity/ Assignor	Non- Banking Financial Companies	Non- Banking Financial Companies
Count of loan accounts acquired	4,193	419
Amount of loan accounts acquired (Rs. in lakhs)	725.75	535.29
Retention of beneficial economic interest (MRR %)	10.00%	10.00%
Weighted average maturity (residual maturity in years)	0.38	1.22
Weighted average holding period (in years)	1.44	0.99
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

b) Details in respect of loans not in default transferred through assignment during the year ended March 31, 2026

Particulars	During the year ended	During the year ended
	31st March 2026	31st March 2025
Entity/ Assignor	Non-Banking Financial Companies	Non-Banking Financial Companies
Count of loan accounts transferred	2,112	9,133
Amount of loan accounts transferred (Rs. in lakhs)	2,396.99	7,474.71
Retention of beneficial economic interest (MRR %)	10.00%	10.53%
Weighted average maturity (residual maturity in years)	2.75	1.68
Weighted average holding period (in years)	1.29	0.73
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

c) Details in respect of stressed loans transferred during the year ended March 31, 2026.

Particulars	During the year ended March 31, 2026			During the year ended March 31, 2025		
	To ARCs	To permitted transferees	To other transferees (please specify)	To ARCs	To permitted transferees	To other transferees (please specify)
No. of accounts	221	1,006	-	-	-	-
Aggregate principal outstanding of loans transferred	1,002.54	625.72	-	-	-	-
Weighted average residual tenor of the loans transferred (in years)	4.84	0.91	-	-	-	-
Net book value of loans transferred (at the time of transfer)	952.41	483.37	-	-	-	-
Aggregate consideration	852.00	450.00	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

d) The Company has not acquired any stressed loans during the year.

#### 41.8 Disclosure on restructuring of advances

The Company does not have any restructured accounts under CDR Mechanism or others as at March 31, 2026 and March 31, 2025

#### 41.9 Exposure to real estate sector

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Category</b>		
<b>(a) Direct exposure</b>		
<b>(i) Residential mortgages</b>	2,395.77	2,931.77
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;		
<b>(ii) Commercial real estate</b>	598.94	737.36
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;		
<b>(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures</b>		
A Residential,	-	-
B Commercial Real Estate.	-	-
<b>(b) Indirect exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>2,994.71</b>	<b>3,669.13</b>

#### 41.10 Exposure to capital market

Particulars	As at March 31, 2026	As at March 31, 2025
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;	22.46	26.62
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	-	-
<b>Total Exposure to Capital Market</b>	<b>22.46</b>	<b>26.62</b>

41.11 Sectoral Exposure

Sectors	As at March 31, 2026			As at March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others						
Vehicle Loans	29,063.34	1,256.52	4.32%	18,678.64	607.86	3.25%
Loans against Property	5,494.56	62.63	1.14%	3,669.13	252.93	6.89%
Others	753.31	-	-	542.92	-	-

41.12 Disclosure on intra-group exposures

The Company does not have any Intra group exposure as at March 31, 2026 and March 31, 2025

41.13 Unhedged foreign currency exposure

No foreign currency exposure during the year. Hence, this disclosure is not applicable.

41.14 Related Party Disclosure

Related party transactions are disclosed in Note No. 35.

41.15 Disclosure of customer complaints

(i) Summary on complaints received from customers and from the Offices of Ombudsman

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Complaints received from the customers</b>		
a) No of complaints pending at the beginning of the year	-	-
b) No of complaints received during the year	2	3
c) No of complaints redressed during the year	2	3
• Of which, number of complaints rejected		
d) No of complaints pending at the end of the year	-	-
<b>Maintainable complaints received from the Offices of Ombudsman</b>		
e) Number of maintainable complaints received from Office of Ombudsman	-	-
• Of (e), number of complaints resolved in favour of the Office of Ombudsman		
• Of (e), number of complaints resolved through conciliation/mediation/advisories		
• Of (e), number of complaints resolved after passing Awards by Office of Ombudsman		
f) Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

(ii) Top five grounds of complaints received from the customers

Grounds of complaints (i.e. complaints related to)	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	% increase/decrease in 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
<b>Current Year</b>					
Loans and advances	-	1	-	-	-
Other matters	-	1	-	-	-
<b>Total</b>	-	<b>2</b>	-	-	-
<b>Previous Year</b>					
No Objection Certificate	-	2	-	-	-
High Rate of Interest	-	1	-	-	-
To refund the login fees	-	1	-	-	-
<b>Total</b>	-	<b>4</b>	-	-	-

**41.16 Loans to directors, senior officers and relatives of directors**

The company has not provided any Loans to directors, senior officers and relatives of directors as at March 31, 2026 and March 31, 2025.

**41.17 Disclosure on Currency futures**

The Company has not entered into any currency futures transactions during the year ended March 31, 2026 and March 31, 2025.

**41.18 Liquidity risk**

Disclosure on Liquidity risk for the year ended March 31, 2026 pursuant to Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025.

**i. Funding concentration based on significant counterparty (both deposits and borrowings)**

Number of significant counterparties	Amount	% of Total deposits	% of Total liabilities
0	-	-	-

**ii. Top 20 large deposits**

Particulars	As at March 31, 2026
Total amount of top 20 large deposits	3,331.49
Percentage of amount of top 20 large deposits to total deposits	98.97%

**iii. Top 10 borrowings**

Particulars	As at March 31, 2026
Total amount of top 10 borrowings	15,003.91
Percentage of amount of top 10 borrowings to total borrowings	55.78%

**iv. Funding concentration based on significant instrument/product**

Particulars	Amount	% of Total liabilities
Redeemable non-convertible debentures (secured)	6,119.82	20.44%
Borrowing under securitization arrangement	781.82	2.61%
Term loan from corporates	10,882.89	36.34%
Term loan from banks	3,417.21	11.41%
Loans repayable on demand from banks (Overdraft from banks)	1,000.40	3.34%
Redeemable non-convertible debentures (unsecured)	1,330.44	4.44%
Deposits from corporates and related parties	3,366.10	11.24%

**v. Stock Ratios**

i. **Commercial Papers**- The company has not issued any commercial paper. Hence, this disclosure is not applicable.

ii. **Non-Convertible Debentures**- The company has not issued any Non-Convertible debentures with original maturity of less than one year. Hence, this disclosure is not applicable.

**iii. Other Short-term liabilities**

Particulars	Amount	%
Other Short-term liabilities/Total Public Funds	14,415.21	53.59%
Other Short-term liabilities/Total Liabilities	14,415.21	48.14%
Other Short-term liabilities/Total Assets	14,415.21	37.31%

**iv. Institutional set-up for liquidity risk management:**

The Board of Directors of the Company shall have the ultimate responsibility for managing all risks, including liquidity risk. To ensure effective oversight, the Board has constituted both a Risk Management Committee ("RMC") and an Asset Liability Management Committee ("ALMC") dedicated to monitoring and managing the liquidity risk of the company.

**41.19 Credit Default Swaps**

The Company has not entered into any credit default swap transactions during the year ended March 31, 2026 and March 31, 2025.

41.20 Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025:

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	For the year ended March 31, 2026					For the year ended March 31, 2025				
		Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as require under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	Gross Carrying Amount as per Ind AS	Loss Allowance (Provisions) as require under Ind AS*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>											
Standard	Stage 1	20,877.74	150.02	20,727.72	52.57	97.46	20,165.90	103.86	20,062.04	50.41	53.45
	Stage 2	4,325.04	59.03	4,266.01	10.81	48.21	1,864.00	29.13	1,834.88	4.66	24.47
<b>Subtotal</b>		<b>25,202.78</b>	<b>209.05</b>	<b>24,993.73</b>	<b>63.38</b>	<b>145.67</b>	<b>22,029.90</b>	<b>132.99</b>	<b>21,896.91</b>	<b>55.07</b>	<b>77.91</b>
<b>Non-Performing Assets (NPA)</b>											
Substandard	Stage 3	871.44	208.41	663.03	127.21	81.21	848.90	181.66	667.23	165.43	16.24
Doubtful - up to 1 year	Stage 3	403.21	72.20	331.00	86.38	(14.18)	11.89	4.12	7.77	5.23	(1.11)
1 to 3 years	Stage 3	44.50	7.56	36.95	13.55	(5.99)	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>447.71</b>	<b>79.76</b>	<b>367.95</b>	<b>99.93</b>	<b>(20.17)</b>	<b>11.89</b>	<b>4.12</b>	<b>7.77</b>	<b>5.23</b>	<b>(1.11)</b>
Loss	Stage 3	-	-	-	-	-	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>1,319.15</b>	<b>288.17</b>	<b>1,030.98</b>	<b>227.14</b>	<b>61.03</b>	<b>860.79</b>	<b>185.78</b>	<b>675.00</b>	<b>170.65</b>	<b>15.12</b>
<b>Total</b>	Stage 1	<b>20,877.74</b>	<b>150.02</b>	<b>20,727.72</b>	<b>52.57</b>	<b>97.46</b>	<b>20,165.90</b>	<b>103.86</b>	<b>20,062.04</b>	<b>50.41</b>	<b>53.45</b>
	Stage 2	<b>4,325.04</b>	<b>59.03</b>	<b>4,266.01</b>	<b>10.81</b>	<b>48.21</b>	<b>1,864.00</b>	<b>29.13</b>	<b>1,834.88</b>	<b>4.66</b>	<b>24.47</b>
	Stage 3	<b>1,319.15</b>	<b>288.17</b>	<b>1,030.98</b>	<b>227.14</b>	<b>61.03</b>	<b>860.79</b>	<b>185.78</b>	<b>675.00</b>	<b>170.65</b>	<b>15.12</b>
		<b>26,521.93</b>	<b>497.22</b>	<b>26,024.71</b>	<b>290.52</b>	<b>206.71</b>	<b>22,890.69</b>	<b>318.77</b>	<b>22,571.92</b>	<b>225.73</b>	<b>93.04</b>

**M/S CREDIFIN LIMITED**

(formerly known as PHF Leasing Ltd.)

CIN: L65110PB1992PLC012488

Notes forming part of the Financial Statements for the year ended March 31, 2026

(All amounts in Rupees in lacs, unless otherwise stated)

**42 Additional Regulatory Information**

- (a) The company does not have any subsidiary/ associate / joint venture. Hence, the compliance related to the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable on the Company.
- (b) The Company has not applied for any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- (c) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (d) The Company neither have any transactions during the year nor having any outstanding balance as at 31 March 2026 with companies whose name is Strucked off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956
- (e) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the income Tax Act, 1961.
- (f) There is no loan given to Promoters, Directors, KMP and other related parties.

**43 Capital adequacy ratio**

Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% Variance	Reason for Variance
CRAR (Tier I Capital+Tier II Capital)/ Total Risk Weighted Assets %	8,850.80	30,613.80	28.91%	28.03%	3.13%	-
CRAR - Tier I capital (Tier I Capital/ Total Risk Weighted Assets) %	7,821.28	30,613.80	25.55%	23.36%	9.38%	-
CRAR - Tier II capital (Tier II Capital/ Total Risk Weighted Assets) %	1,029.52	30,613.80	3.36%	4.68%	-28.09%	Due to decrease in value of Subordinate Debts because of discounting effect

LCR\*

NA

\*"Capital adequacy ratio", "Tier I capital", "Tier II capital", "Owned fund" are calculated as defined in the Direction - Reserve Bank of India (Non-Banking Financial Companies - Prudential Norms on Capital Adequacy) Directions, 2025.

\*Liquidity Coverage Ratio (LCR) is not applicable to the company since the asset size of the company is less than Rs. 5,000 Crores

**44 Utilisation of borrowed funds**

The company has not given any loan or invested funds to any persons, entities (intermediaries) with the understanding that 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.
- b) provide any guarantee, security or the like to or on behalf of the Company.

The Company has not received any fund from any person, entities (Funding Party) with the understanding 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.
- b) provide any guarantee, security or the like on behalf of the Funding Party.

**45 Derecognition of financial assets**

During the year ended 31 March 2026, the Company has sold 90% of a portion of its term loans through direct assignments, measured at amortised cost, to maintain reasonable leverage. As per regulatory requirement, the Company continues to hold balance 10% of those loans as Minimum Retention Requirement (MRR). The Company transferred substantially all the risks and rewards relating to assets to the buyer and accordingly, sold portion of loans was derecognised.

The following table below sets forth, for the periods indicated, the summary of carrying amounts of the derecognised financial assets measured at amortised cost and the gain/ (loss) on derecognition.

Particulars	For the year ended	For the year ended
	31 March 2026	31 March 2025
Carrying amount of derecognised financial assets	3,904.05	6,784.57
Gain on derecognition of financial assets	415.17	877.12

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition as interest-only strip receivable with a corresponding credit to the statement of profit and loss.

**46 Standard notified but not yet effective**

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these new and amended standards, when they become effective.

**Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period.**

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver granted before the financial statements were approved for issue of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after April 1, 2026, any breach of a covenant whether material or immaterial occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after April 1, 2026 retrospectively in accordance with Ind AS 8.

For GSA & Associates LLP

Chartered Accountants

Firm Registration No.: 000257N/N500339

For and on behalf of the Board of Directors of

Credifin Limited (Formerly known as PHF Leasing Limited)

CIN: L65110PB1992PLC012488

Sd/-  
Tanuj Chugh  
Partner  
Membership No: 529619  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Kumar Shalya Gupta  
Managing Director & CEO  
DIN: 07553217  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Vijay Kumar Sareen  
Whole Time Director  
DIN: 07978240  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Kuldip Bhandari  
Chief Finance Officer  
Place: Jalandhar  
Date: May 5, 2026

Sd/-  
Manika Arora  
Company Secretary  
Membership No: A51855  
Place: Jalandhar  
Date: May 5, 2026

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT 34<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF CREDIFIN LIMITED (FORMERLY KNOWN AS PHF LEASING LIMITED) ("THE COMPANY") WILL BE HELD ON FRIDAY, THE 31<sup>ST</sup> DAY OF JULY, 2026 AT 12.00 NOON THROUGH VIDEO CONFERENCING ('VC')/ OTHER AUDIO-VISUAL MEANS ('OAVM') FACILITY TO TRANSACT THE FOLLOWING BUSINESSES:**

**ORDINARY BUSINESS**

**1. To receive, consider and adoption of Audited Financial Statements of the Company for the Financial Year ended March 31, 2026**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2026 and the reports of the Board of Directors and the Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Financial Statements 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."

**2. Appointment of Mr. Meghal Gupta (DIN: 09179500) as a Non-Executive Director, liable to retire by rotation and who, being eligible, offers himself for re-appointment**

To appoint a Director in place of Mr. Meghal Gupta (DIN: 09179500) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 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 of the Companies Act 2013 and applicable Rules framed thereunder, along with other applicable SEBI Regulations (including any Statutory modification(s) or re-enactment thereof for the time being in force), the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India, pursuant to the Nomination and Remuneration Policy of the Company, as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members of the company, be and is hereby accorded for the re-appointment of Mr. Meghal Gupta (DIN: 09179500), who retires by rotation at this Annual General Meeting and who offers himself for reappointment, as Non-Executive Director of the Company, liable to retire by rotation."

**3. To re-appoint M/s GSA & Associates LLP, Chartered Accountants (FRN: 000257N/ N500339) as Statutory Auditors of the Company for the Second Term of 5 Years**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014, other applicable rules framed under the Act, applicable SEBI Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the extant Rules / Regulations / Guidelines / Notifications and Circulars prescribed by any relevant authorities including but not limited to Reserve Bank of India / Securities Exchange Board of India and based on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s GSA & Associates LLP, Chartered Accountants (**FRN: 000257N/ N500339**), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office for the second term of 5 years from the conclusion of this 34<sup>th</sup> Annual General Meeting until the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company to

be held in the financial year 2030–31, on a remuneration at the range of Rs. 8,00,000/- to Rs. 15,00,000/- per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the auditors in connection with the audit, including tax audit of the company, with authority to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to finalize and revise, from time to time the terms and conditions of re-appointment, including remuneration of the Statutory Auditor, based on the recommendation of the Audit Committee, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors, including any Committee thereof, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

#### **SPECIAL BUSINESS**

#### **4. To approve continuation of directorship of Mr. Meghal Gupta (DIN: 09179500) as a Non-Executive Director and payment of professional fees**

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(1D) and 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) (including any statutory modification(s) or re-enactment(s) thereof for time being in force), applicable provisions of the Articles of Association of the Company, and any other applicable provisions of the Companies Act, 2013 along with Rules framed thereunder, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for continuation of Directorship of Mr. Meghal Gupta (DIN: 09179500) as Non-Executive Director of the Company and payment of professional fees to Mr. Meghal Gupta for rendering professional services to the Company, in addition to his role as a Non-Executive Director, on such terms and conditions and at such remuneration as may be approved by the Board of Directors from time to time, subject to the overall limits and applicable provisions of the Companies Act, 2013 and the SEBI LODR Regulations.

**RESOLVED FURTHER THAT** Mr. Meghal Gupta (DIN: 09179500), Director shall perform duties as prescribed under Companies Act, 2013 along with Rules framed thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any additional duties as may be prescribed by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** for giving effect to this resolution, the Board be and hereby severally authorize any Director of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to effect to any as may be deemed appropriate, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit or expedient.

**RESOLVED FURTHER THAT** any Director of the Company be and hereby are severally authorized to file all necessary forms including intimations/reporting, if any, to the Registrar of Companies, Reserve Bank of India (RBI) and other regulatory authorities and to do all acts, deeds and things as may be required for giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** a certified copy of this Resolution may be provided to all concerns as and when required under the hand of any Director and/or Company Secretary of the Company.”

**5. To re-appoint Ms. Aditi Kapur (DIN: 06597596) as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV 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 thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reserve Bank of India (Non-Banking Financial Companies – Governance Directions) and the Articles of Association of the company, Ms. Aditi Kapur (DIN: 06597596), who has submitted a declaration that she meets the criteria for independence as provided under the Act and in respect of whom the Company has received a notice in writing proposing her candidature for the office of Independent Director under section 160 of the Act and in accordance with the recommendation of the Nomination & Remuneration Committee and the Board of Directors, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years from June 26, 2026 and ending on June 25, 2031 (both days inclusive).

**RESOLVED FURTHER THAT** the Board of Directors (“the Board”, which term shall be deemed to include any committee constituted by the Board to exercise its powers including the powers conferred hereunder or any person authorized by the Board or its committee for such purpose) be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution.”

**6. Re-appointment of Mr. Vijay Kumar Sareen (DIN: 07978240) as the Whole-time Director to be designated as Executive Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act) and relevant rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) or any statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company and pursuant to the recommendation and approval respectively of the Nomination and Remuneration Committee and the Board of Directors of the Company (the “Board”), consent of the Shareholders of the Company be and is hereby accorded to the reappointment of Mr. Vijay Kumar Sareen (DIN: 07978240), as Executive Director of the Company for a term of (5) consecutive years, effective from May 6, 2026, on terms and conditions of appointment and remuneration as set out in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof, with liberty to the Board to vary the terms and conditions of the said appointment including remuneration, as may be mutually agreed with Mr. Vijay Kumar Sareen from time to time, without being required to seek further approval of the members of the Company or otherwise to the end intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year during the tenure of services of Mr. Vijay Kumar Sareen, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Act.

**RESOLVED FURTHER THAT** approval of the Company be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to execute all necessary documents, applications, returns and writings as may be necessary, proper or expedient”.

**For & On Behalf of the Board of Directors  
M/s CREDIFIN LIMITED  
(Formerly Known as PHF Leasing Limited)**

Sd/-  
**Manika Arora**  
**Company Secretary**  
**Membership No:51855**

**Date: 30.06.2026**  
**Place: Jalandhar**

#### **NOTES:**

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 (Act), in respect of item No. 3,4, 5 and 6 of the Notice convening the Annual General Meeting (AGM) is annexed hereto.
2. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated May 5, 2020 and December 28, 2022, respectively, read with General Circular No. 03/2025 dated September 22, 2025 and other circulars issued in this respect ("MCA Circulars") has permitted, inter-alia, holding of the AGM through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"), the 34th AGM of the Company shall be conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 34th AGM shall be the Registered Office of the Company.
3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 34th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members, who are Bodies Corporate / Institutional shareholders, may attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body resolution / authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said resolution / authorization shall be sent to the Company by e-mail on its registered e-mail address to [compliance@credif.in](mailto:compliance@credif.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).
4. Since the AGM is being held through VC/ OAVM facility, Route Map for the deemed venue of the Meeting is not required to be annexed in this Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Attendance of the members participating in the AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars, as amended, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 34th AGM and facility for those members participating in the 34th AGM to cast vote through e-Voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency and NSDL will be providing facility for voting through remote e-Voting, for participation in the 34th AGM through VC/ OAVM

facility and e-Voting during the AGM. Members may note that NSDL may use third party service provider for providing participation of the members through VC/ OAVM facility.

8. In terms of the MCA Circulars, the Notice convening the 34th AGM and Annual Report for the financial year 2026, will be available on the website of the Company at [www.credif.in](http://www.credif.in), on the website of Metropolitan Stock Exchange at [www.msei.in](http://www.msei.in) and also on the website of National Securities Depositories Limited ("NSDL") at [www.evoting.nsd.com](http://www.evoting.nsd.com).
9. Electronic copy of the Annual Report for the financial year 2026 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. A letter providing the web-link, including the exact path, where complete details of the Annual Report has been sent to those members whose e-mail addresses are not so registered.
10. The details required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standards on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM form part of the Notice.
11. The Directors seeking re-appointment have furnished the declaration under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Section 164(2) of the Companies Act, 2013 and other requisite declarations for their re-appointment.
12. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and/or send their questions at least 2 days in advance i.e. on or before 5.00 p.m. on July 28, 2026 by mentioning their name, demat account number/ folio number, email id, mobile number at email: [compliance@credif.in](mailto:compliance@credif.in) to enable the Company to reply suitably during the AGM. The Chairman will endeavour to respond to the same at the AGM. Queries received after this time and date may not be responded to, at the AGM. Further, the Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
13. All correspondence for shares held in physical form relating to transmission of shares, loss of share certificates, issue of duplicate shares, change of address, dividend mandates, etc. quoting their folio numbers should be sent to the Registrar & Transfer Agents (R&T Agents) only, at their following address:  
  
Skyline Financial Services Private Limited  
D-153A, 1st Floor, Okhla Industrial Area, Phase-1,  
New Delhi – 110020, India
14. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies are allowed to be transferred only in dematerialised form with effect from April 1, 2019. Further, transmission or transposition of securities held in physical or dematerialized form is also allowed only in dematerialised form w.e.f. January 24, 2022. SEBI, vide its circular dated January 25, 2022 has clarified that listed companies, with immediate effect, shall issue the securities in dematerialised form only while processing investor service request pertaining to issuance of duplicate share certificate, exchange of securities, endorsement, subdivision/consolidation of share certificates etc. In view of this as also to eliminate all risk associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialised form. Members can contact the Company or Registrar & Share Transfer Agent, Skyline Financial Services Private Limited for assistance in this regard. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, Skyline Financial Services Private Limited quoting their folio number.

**Effective April 2, 2026, SEBI has abolished the requirement to issue a Letter of Confirmation (LoC) for investor services like issuing duplicate securities, transmission or transfers and has mandated RTAs to directly credit securities to the demat account within 30 days. Any LOC issued prior to this date may continue to be used by investors for dematerialisation within the prescribed timeline**

## Procedure for Inspection of Documents:

15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. July 31, 2026. Members seeking to inspect such documents can send an email to [compliance@credif.in](mailto:compliance@credif.in).
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before July 24, 2026 by sending e-mail on [compliance@credif.in](mailto:compliance@credif.in). The same will be replied by the Company suitably.

## Dispatch of Annual Report through Electronic Mode:

17. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode are requested to register their email addresses with the Company by writing to Ms. Manika Arora, Company Secretary at her email id [compliance@credif.in](mailto:compliance@credif.in) or to Registrar & Share Transfer Agent, M/s Skyline Financial Services Private Limited at its e-mail id [admin@skylinerta.com](mailto:admin@skylinerta.com) by quoting your Folio No., PAN, Mobile No., Email-Id along with a self-attested copy of your PAN Card / Aadhar Card and Share Certificate (front and back).
  - b) Members holding shares in dematerialized mode, are requested to register their email addresses with their relevant depositories through their depository participants. However, for temporary registration for the purpose of obtaining this notice, shareholders may register their email ids with the Company by writing to Ms. Manika Arora, Company Secretary of the Company, at her email-id [compliance@credif.in](mailto:compliance@credif.in).
18. The notice is being sent to all the members of the Company, whose names appear in the register of members/ record(s) of depositories as on July 03, 2026. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

## Procedure for 'remote e-voting' and e-voting at the AGM

19. **A. E-Voting Facility:**
  - (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing to its members, facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

The remote e-voting facility will be available during the following voting period:

**Commencement of remote e-voting :** July 28, 2026 at 9.00 A.M.

**End of remote e-voting :** July 30, 2026 at 5.00 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. July 24, 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 July 24, 2026.

- (ii) In case a person becomes a member of the Company after dispatch of e-AGM Notice, and is a member as on the cut-off date for e-voting, i.e. Friday, July 24, 2026, such person may obtain the user id and password by mailing to the Company at [compliance@credif.in](mailto:compliance@credif.in) or RTA at [admin@skylinerta.com](mailto:admin@skylinerta.com).
- (iii) The Company has appointed Ms. Sagrika Jayee (M. No: 61678), Practicing Company Secretary, as the Scrutinizer and M/s Mahesh Kumar and Associates (FRN No. S2016PB421400) as an additional scrutinizer for conducting the e-voting process in accordance with the law in a fair and transparent manner. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of NSDL, the e-voting agency & on the Company's website at [www.credif.in](http://www.credif.in).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

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 Annual General Meeting:

The remote e-voting period begins on Tuesday, July 28, 2026 at 9.00 A.M. and ends on Thursday, July 30, 2026 at 5.00 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. July 24, 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 July 24, 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 in order 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 <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a> . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be

redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or 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.

- Existing **IDeAS** user can visit the e-Services website of NSDL Viz. <https://eservices.nsd.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.
- If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.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.
- 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**



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

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

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

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

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  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 "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "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 able 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 [compliance@credif.in](mailto:compliance@credif.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a at [evoting@nsdl.com](mailto:evoting@nsdl.com)

## **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 [compliance@credif.in](mailto:compliance@credif.in).
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 [compliance@credif.in](mailto:compliance@credif.in).
  - If you are an Individual shareholders 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.**
  - If you are a non-individual shareholder holding securities in demat mode, please refer to the login method explained at Step 1 (B) i.e. Login method for e-Voting for non-individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order 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 [compliance@credif.in](mailto:compliance@credif.in). The same will be replied by the company suitably.

**Other Information: -**

1. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.
2. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ NEFT etc.
3. SEBI vide circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31 July 2023 (updated as on 4 August 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed

satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution ('ODR') portal. Shareholders are requested to take note of the same.

4. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialized form.

5. Non-Resident Indian Members are requested to inform the Company/RTA (if shareholding is in physical mode)/respective DPs (if shareholding is in demat mode), immediately on: 1) Change in their residential status on return to India for permanent settlement; 2) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

6. Members holding shares in dematerialised form:

(a) may contact their Depository Participant(s) for recording nomination in respect of their shares.

(b) are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records.

(c) Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may therefore give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants.

(d) Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

## EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3

The Members of Credifin Limited ("Credifin") at the 29th Annual General Meeting (AGM) held on September 23, 2021, had approved the appointment of M/s GSA & Associates LLP, Chartered Accountants (FRN: 000257N/N500339), as Statutory Auditors of the Company for a term ending at the conclusion of the AGM to be held in the year 2026. As such, the Statutory Auditors will complete their first term at the conclusion of the ensuing 34<sup>th</sup> AGM of the Company. Pursuant to Section 139(2)(b) of the Companies Act, 2013 ("the Act"), a listed company may re-appoint an audit firm for a second term of five consecutive years. M/s GSA & Associates LLP, Chartered Accountants are eligible for re-appointment for the second term, from the conclusion of the ensuing 34<sup>th</sup> AGM until the conclusion of the 39th AGM of the Company to be held in the financial year 2030-31, as they meet the eligibility criteria as defined in the Section 139(2)(b) of the Companies Act, 2013.

The Audit Committee, in its meeting held on May 5, 2026, evaluated the performance, eligibility, qualifications, and independence of M/s GSA & Associates LLP, as required under Rule 3(1) of the Companies (Audit and Auditors) Rules, 2014. The Committee noted that the firm has demonstrated robust audit capabilities over the past five years, deploying a competent team of senior audit professionals with experience in auditing listed companies of similar size and scale, and possessing sector-specific expertise relevant to Credifin. The firm has also confirmed its independence under Section 141 of the Act and the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI). It complies with the SEBI (Prohibition of Insider Trading) Regulations, 2015, ensuring confidentiality of unpublished price-sensitive information, and holds a valid certificate from the ICAI Peer Review Board. The firm has declared that it has not undertaken any prohibited non-audit assignments for Credifin.

Based on the recommendation of the Audit Committee, Board of Directors has recommended the re-appointment of M/s GSA & Associates LLP as Statutory Auditors for a second term of five consecutive years, from the conclusion of the 34<sup>th</sup> AGM until the conclusion of the 39th AGM of the Company to be held in the financial year 2030-31, at a remuneration range of Rs. 8,00,000/- to Rs. 15,00,000/- per annum, plus applicable Goods and Services Tax (GST) and reimbursement of out-of-pocket expenses incurred in connection with the statutory audit and tax audit of the Company, for approval by the shareholders. The Board and Audit Committee may revise the remuneration during the auditors' tenure based on performance reviews, additional efforts due to regulatory changes, internal restructurings, rendering of other services, or other considerations, subject to applicable approvals.

M/s GSA & Associates LLP have provided written consent for their re-appointment and a certificate confirming their eligibility under Section 141 and compliance with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, affirming:-

- Eligibility and non-disqualification under the Act, the Chartered Accountants Act, 1949, and related regulations.
- Compliance with the term limits under Section 139(2).
- Non pendency of proceedings related to professional conduct before the ICAI or any competent authority or court.
- The proposed appointment being within the limits laid down by the Act.

The firm has also confirmed compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. Based on the recommendations of the Audit Committee and the Board of Directors, the re-appointment of M/s GSA & Associates LLP as Statutory Auditors for a second term of five years, as set out in Resolution No. 3, is proposed for approval by the Members as an Ordinary Resolution.

**Proposed Remuneration:-**

The Auditors are proposed to be re-appointed at a remuneration range of Rs. 8,00,000/- to Rs. 15,00,000/- per annum plus GST as applicable and reimbursement of out-of-pocket expenses incurred by the auditors in connection with the statutory audit and tax audit of the company, with authority to the Board of Directors of the Company, which will be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution, to revise from time to time, the terms and conditions of re-appointment, including remuneration of the Statutory Auditors, based on the recommendation of the Audit Committee, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

**Rationale for Re-appointment:-**

M/s GSA & Associates LLP have exhibited robust audit capabilities and independence during their previous tenure. They have a proven track record of auditing companies of similar size and scale, including experience in the same sector. The firm has deployed a competent team of audit professionals, has undergone peer review by the Institute of Chartered Accountants of India (ICAI), and hold a valid peer review certificate. They have confirmed their independence as per the requirements under the Act and the Code of Ethics issued by the ICAI, and that they have not accepted any prohibited non-audit services. They have also confirmed their adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Accordingly, the Board, on the recommendation of the Audit Committee, proposes the re-appointment of M/s GSA & Associates LLP as Statutory Auditors of the Company for the second term of five years, as set out in the Resolution No. 3 of the Notice. The Board recommends the Ordinary Resolution for Item No. 3 of this Notice for the approval of the Members.

The information as required under Regulation 36(5) of the SEBI (LODR) Regulations, 2015 is given under **Annexure-N1** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

None of the Director, Key Managerial Personnel, or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**Item No. 4**

As per clause 17 (1D) of SEBI Listing Regulations, the continuation of a Director, other than, Managing Director, Whole time Director, Manager, Independent Director or a Director retiring by rotation etc., serving on the Board of Directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of his appointment or re-appointment as the case may be. Mr. Meghal Gupta (DIN: 09179500) was appointed, as a Non-Executive Director of the Company with effect from May 20, 2021. Further, in terms of Regulation 17(6) of the SEBI Listing Regulations, payment of fees or compensation to a Non-Executive Director (other than sitting fees within the prescribed limits) requires the approval of the shareholders in a general meeting. Accordingly, the approval of the Members is sought for payment of professional fees to Mr. Meghal Gupta for the professional services rendered by him to the Company, in addition to his role as a Non-Executive Director.

The Board considers the continuation of Mr. Meghal Gupta (DIN: 09179500) will be in the best interest of the Company. In terms of the compliance of the aforesaid new regulation, the resolution at Item No. 4 of the notice is proposed for approval by the members for his continuation as Non-Executive Director of the Company. The profile and specific areas of expertise of Mr. Meghal Gupta (DIN: 09179500) and other relevant information as required under SEBI Listing Regulations and Secretarial Standards are provided in the Corporate Governance Report.

The Board recommends the Special Resolution for the Item No. 4 of this Notice for the approval of the Members.

None of the Director, Key Managerial Personnel, or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution except Mr. Meghal Gupta.

The information as required under para 1.2.5 of Secretarial Standard -2 read with Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, is given under **Annexure N-2**, at the end of this Explanatory Statement.

#### **Item No. 5**

Pursuant to the provisions of section 149, 150, 152, schedule IV of the Companies Act, 2013 (“the Act”), Ms. Aditi Kapur (DIN:06597596) was appointed as an Independent Director of the company for a term of five years effective June 26, 2021 and her term expires on June 25, 2026. Further, pursuant to section 149 of the Act, an independent director shall be eligible for re-appointment for a second term of up to five consecutive years on passing of a special resolution by the shareholders. The company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Ms. Aditi Kapur candidature for the office of the Director. The Nomination and Remuneration Committee has also recommended her appointment as an Independent Director for the second Term. Details of her qualification, experience, expertise and the information pursuant to regulation 36(3) of Listing Regulations and Secretarial Standards on general meetings are disclosed herein as an annexure to this explanatory statement. Ms. Aditi Kapur has given a declaration to the Board that she meets the criteria of independence as provided under section 149 of the Companies Act, 2013 as well as under applicable provisions of the Listing Regulations. In the opinion of the Board, Ms. Aditi Kapur fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for re-appointment as an Independent Director (ID).

The Board believes that her continued association as Independent Director would be of immense benefit to the company. Accordingly, the Board recommends the re-appointment of Ms. Aditi Kapur as an Independent Director for a second term of five consecutive years commencing from June 26, 2026 and ending on June 25, 2031 (both days inclusive). In compliance with the provisions of section 149 read with schedule IV of the Companies Act, 2013 and applicable provisions of the Listing Regulations, the re-appointment of Ms. Aditi Kapur is being placed before the Members for their approval. The terms and conditions of her appointment is available on the website of the company and would also be available for inspection without any fee by the members at the company’s registered office during normal business hours on any working day up to the date of the AGM.

As on date, Ms. Aditi Kapur holds 11,000 Equity Shares in the Company and does not hold any Stock Options.

A copy of the draft letter for re-appointment of Ms. Aditi Kapur setting out the terms and conditions of re-appointment is available for inspection during the normal business hours on any working day except Sundays and Holidays and will also be kept open at the venue of the AGM till the conclusion of the AGM.

As per the provisions of Section 149 (10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company, but 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. Therefore, Ms. Aditi Kapur is proposed to be re-appointed by the Shareholders by way of a Special Resolution in the ensuing Annual General Meeting and the disclosure in terms of Section 149(10) of the Companies Act, 2013, has been duly made in the Board’s Report.

Ms. Aditi Kapur had been appointed on the Board on June 26, 2021 as an Independent Director and was appointed for a term of 5 years by the Members of the Company in their 29<sup>th</sup> Annual General Meeting held on September 23, 2021 to hold office till June 25, 2026. As such, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had re-appointed her and recommended her to be re-appointed by the

Shareholders by way of a Special Resolution in the ensuing Annual General Meeting, for a Second term of five (5) consecutive years up to June 25, 2031.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Ms. Aditi Kapur as an Independent Director has now been placed before the Members for their approval by way of Special Resolution.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Ms. Aditi Kapur is re-appointed as an Independent Director of the Company by the Shareholders for a Second term of five (5) consecutive years up to June 25, 2031.

The Board recommends the Special Resolution for Item No. 5 of this Notice for approval of the Members. Except Ms. Aditi Kapur none of the other Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice. Ms. Aditi Kapur should be treated as interested in this resolution to the extent of benefits arising out of this resolution.

The information as required under para 1.2.5 of Secretarial Standard -2 and Regulation 36(3) of the SEBI (LODR) Regulations, 2015 is given under **Annexure-N3** at the end of this Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

#### **Item No. 6**

The shareholders at the 29<sup>th</sup> AGM of the Company held on September 23, 2021 approved the appointment of Mr. Vijay Kumar Sareen (DIN:07978240) as a Whole-time Director to be designated as Executive Director of the Company, for a period of five (5) years with effect from May 06, 2021.

Basis on the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on May 05, 2026, re-appointed Mr. Vijay Kumar Sareen, as a Whole-time Director to be designated as Executive Director of the Company with effect from May 6, 2026, till May 5, 2031, subject to the approval of the members in the Annual General Meeting.

Mr. V.K. Sareen had a distinguished academic career, having served as Ex-Vice Principal and Head of the Post Graduate Department of Commerce, where he contributed significantly to the development of academic and professional talent.

Considering his expertise and leadership, the Board, approved re-appointment of Mr. V.K. Sareen as a Executive Director of the Company. The Company has received his consent to act as Executive Director of the Company along with a declaration to the effect that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act and has not been debarred or disqualified from being appointed as Director of a company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority. Mr. V.K. Sareen satisfies all the conditions set out under subsection (3) of Section 196 of the Act and Schedule V to the Act including the conditions for being eligible for this appointment. As per the requirements of Section 196 and 197 of the Companies Act, 2013 and the provisions of Schedule V thereto, the appointment/ re-appointment of the Managing Director/ Whole Time Directors and their remuneration is to be made with approval of the Shareholders in the General Meeting and it is further provided that except with the approval of the company in general meeting by a special resolution, the remuneration payable to any one managing director; or Whole Time Director or manager shall not exceed five per cent of the net profits and if there is more than one such director, remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together. For the reason that with the proposed remuneration of Mr. V.K. Sareen as Whole Time Director to be designated as Executive Director of the Company, remuneration of all directors, taken together is likely to exceed 10% of the net profits of the Company, the matter requires

approval of the Shareholders of the Company by way of Special Resolution. It is further provided in Schedule V to the Act that the Special Resolution passed for payment of remuneration to a managerial person at the general meeting of the company, should be for a period not exceeding three years.

Further, as per the provisions of Section 197 of the Companies Act, 2013 read with Section II of Part II of Schedule V, in case of absence or inadequacy of profits, the remuneration to be paid in excess of the limits specified in Section II of Part II of Schedule V has to be approved by the Members by way of a Special Resolution. Therefore, in order to suitably remunerate Mr. V.K. Sareen, Executive Director, keeping in view his entitlement and existing remuneration, as also the competitive market practices, if the Company's profits become inadequate, the approval of the Members is sought for payment of remuneration to him on the following terms and conditions:-

- a. **Salary and other benefits** Within the range of Rs. 18,00,000/- (Rupees Eighteen Lakhs Only) per annum to Rs. 30,00,000/- (Rupees Thirty Lakhs Only) per annum.
- b. Variable pay as may be decided by the Board from time to time in compliance to Nomination and Remuneration Policy besides to the Annual remuneration at (a) above
- c. **Service Contract period:** - 5 years i.e. from May 6, 2026, till May 5, 2031
- d. **Remuneration period:** - 3 years i.e. from May 6, 2026 till May 5, 2029
- e. **Severance Fees:-** No severance fees will be paid to him.
- f. Reimbursement of expenses incurred by him on account of the business of the Company in accordance of the Company's policy.

The appointee Director Mr. V.K. Sareen may be treated as interested in this resolution, to the extent of his remuneration and other benefits arising out of this resolution. No other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

As on the date of this report, Mr. V.K. Sareen holds 100930 Equity Shares in the Company and does not hold any Stock Options.

Further, as per Section 197 of the Act read over with Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, some Parameters have been specified which are to be taken into account by the Shareholders while according their approval as given below:-

- (1) the Financial and operating performance of the company during the three preceding financial years.
- (2) the relationship between remuneration and performance.
- (3) the principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company.
- (4) whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.
- (5) the securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.

As such your Directors have considered the above parameters in relation to extending the term and revision of remuneration of Mr. V.K. Sareen as Executive Director. The said proposal has also been approved by the Nomination and Remuneration Committee of the Board and by Audit Committee of the Board. The required information as per the above said parameters is given below:-

**(1) The Financial and operating performance of the company during the three preceding financial years.**

**On Standalone basis:-**

PARTICULARS	FY 2023-24	FY 2024-25	FY 2025-26
Total Income	3466.70	6,337.86	7795.86
Earnings before Interest, Depreciation and Tax and exceptional items (from Continued operation)	1923.77	3291.88	4113.11

Profit from Continued Operations before Tax and exceptional items	343.87	610.17	707.47
Total Profit before Tax after exceptional items	343.87	610.17	707.47
Total Profit after Tax	388.82	513.85	468.67
Total Comprehensive Income	380.01	502.63	471.92

**(2) The relationship between remuneration and performance:-**

The proposed remuneration as set out in item no. 6 of the Notice is fully justified. Further, the proposed remuneration has been evaluated by the Board, Nomination and Remuneration Committee of the Board and Audit Committee of the Board.

**(3) The principle of proportionality of remuneration within the Company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the Company**

The Principle of proportionality followed in the Company is that Whole Time Director and Managing Director of the Company are paid monthly remuneration. Independent Directors on the Board are paid Sitting Fee for the Board/Committee Meetings and reimbursement of travelling expenses is also made to them for attending Board / Committee Meetings. The sitting fee of the Independent Directors is decided by the Board based upon the qualifications, skill set and experience of the individual directors and the recommendation of the Nomination and Remuneration Committee. Further, the employees of the Company are paid remuneration based upon their qualifications, experience, personal traits and their performance in the Company. Some categories of the staff are also paid incentives and variable salary which is based upon their performance. The remuneration of the directors and senior management people of the company is approved by the Nomination and Remuneration Committee of the Board. As a lot of subjective criteria is involved in fixation of remuneration of the directors and employees of the Company, arithmetic principle of proportionality of remuneration within the Company is difficult to be arrived at and for the same reason, any rating methodology is also difficult to be worked out.

**(4) Whether remuneration policy for directors differs from remuneration policy for the employees and if so, an explanation for the difference.**

As per the Nomination and Remuneration Policy of the Company, remuneration payable to the Whole Time Directors is based upon performance and is subject to the provisions of the Companies Act, 2013, Listing Regulations and Articles of Association of the Company. The sitting fee payable to the Independent Directors is decided by the Board based upon the qualification, skill set and experience of the individual directors and recommendation of the Nomination and Remuneration Committee. The remuneration payable to Employees is based upon their knowledge, qualification, experience and performance. The reason for this differentiation is that remuneration to the Directors is governed by the provisions of the Companies Act, 2013, Listing Regulations and Articles of Association of the Company and remuneration to the employees of the Company is based upon other factors as explained in the foregoing discussion and the same is also influenced by competitive factors.

**(5) The securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.**

As on 31-03-2026, hold 100930 Equity Shares in the Company. Further he does not hold any Stock Options. Further, he has not pledged any shares as at the end of the preceding financial year.

The Board recommends the Special Resolution for the Item No. 6 of this Notice for the approval of the Members.

None of the Director, Key Managerial Personnel, or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution except Mr. V.K. Sareen.

The information as required under para 1.2.5 of Secretarial Standard -2 is given under **Annexure N-4** along with information pursuant to Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, at Mr. V.K. Sareen the end of this Explanatory Statement. Information required under Part II of Schedule V to the Companies Act, 2013 is given as **Annexure N-4A**

**For & On Behalf of the Board of Directors  
M/s CREDIFIN LIMITED  
(Formerly Known as PHF Leasing Limited)**

Sd/-

**Manika Arora  
Company Secretary  
Membership No:51855**

**Date: 30.06.2026  
Place: Jalandhar**

**Annexure N-1**

Further, the information pursuant to Regulation 36(5) of the SEBI LODR Regulations is given below:-

Proposed fees payable to the statutory auditor	<p>Rs. 8,00,000/- to Rs. 15,00,000/- for Audit including Tax Audit</p> <p>The proposed fees payable to the Statutory Auditors are based on knowledge, expertise, experience, time and effort required to be put in by them.</p>
Terms of appointment	<p>Re-appointment for the second term of 5 (Five) consecutive years, commencing from the conclusion of ensuing AGM till the conclusion of the 39<sup>th</sup> AGM of the Company to be held in the year 2031</p>
Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	<p>Not applicable as the same Auditor is proposed to be re-appointed for second term</p>
Basis of recommendation for appointment	<p>The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of M/s GSA &amp; Associates LLP, Chartered Accountants (Firm Registration No. 000257N / N500339) as the Statutory Auditors of the Company. The committee taking into account the credentials of M/s GSA &amp; Associates LLP, Chartered Accountants and based on the evaluation of the quality of the audit work found M/s GSA &amp; Associates LLP, Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.</p>
Details in relation to and credentials of the statutory auditor(s) proposed to be appointed	<p>M/s GSA &amp; Associates LLP was established in the year 1975 and has its head office at Delhi and branch offices at Jammu, Surat and Gurugram. The firm is empanelled with C&amp;AG, RBI, MCX, SFIO, IBA and several others. Its clientele includes several large Public sector units, telecommunication companies, Banks and Private Sector Corporates.</p> <p>Based on the recommendation made by the Audit committee, after assessing the performance of M/S GSA &amp; Associates LLP chartered accountants and considering their experience and expertise, the Board recommends the re-Appointment of GSA &amp; Associates LLP, Chartered accountants as Statutory Auditors for the second term of 5 years, as set out in the Resolution No. 3 of the Notice of the ensuing AGM, for approval of the members</p>

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2 INCLUDING THE INFORMATION OF DIRECTORS, WHOSE REMUNERATION IS BEING FIXED/VARIED**

<b>Name of Director</b>	Mr. Meghal Gupta (DIN: 09179500)
<b>Date of First (Original) Appointment on the Board:</b>	May 20, 2021
<b>Date of Birth, Age</b>	20.01.1995, About 31 Years
<b>Designation</b>	Non-Executive Director
<b>Nature of Expertise in Specific Functional Area and experience:-</b>	
<p>Mr. Meghal Gupta is an Engineer by qualification with extensive experience in the NBFC and financial services sector. He is the promoter of Hamco Ispat Private Limited; a well-established entity engaged in the manufacturing and export of a wide range of industrial tools.</p> <p>He has demonstrated strong multi-sector leadership by successfully leading ventures across financial services, electric mobility, hand tool manufacturing, and AI-driven solutions. He possesses deep expertise in fund arrangement, credit assessment, and financial discipline, with a consistent focus on building scalable and sustainable business models across diverse verticals.</p> <p>He is known for his relationship-driven approach to growth, supported by a wide and trusted professional network. His ability to foster strategic partnerships, drive sales expansion, and maintain strong customer relationships has contributed significantly to business success. Additionally, his practical and structured approach to customer evaluation and debt recovery ensures operational efficiency and a healthy financial ecosystem.</p> <p>His professional journey is complemented by his strong personal values of discipline, integrity, and perseverance. He is a national-level participant in Judo and Yoga, and a state-level athlete in Swimming and Roller Skating, he brings focus, resilience, and a competitive spirit into his work. He is widely regarded for his commitment to transparency, honouring obligations, and creating long-term value built on trust and consistency.</p>	
<b>Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:</b>	
<b>Term</b>	Mr. Meghal Gupta, who is liable to retire by rotation, is proposed to be re-appointed as a Non-Executive Non Independent Director by the Shareholders of the Company in the ensuing Annual General Meeting. Further pursuant to regulation 17(1D) of SEBI (LODR) Regulations 2015, as per the date of approval by shareholders in ensuing Annual General Meeting will be considered as the date of appointment in this case and it will be valid for the next five year
<b>Remuneration last drawn, if applicable</b>	NIL
<b>Details of Remuneration sought to be paid</b>	NIL
<b>Qualification</b>	B. Tech
<b>List of Other Directorships</b>	NIL
<b>Names of Listed Entities in which the person also holds the directorship</b>	No Company other than Credifin Limited (formerly known as PHF Leasing Limited)
<b>Chairmanship/Membership of the Committees of the Board of Directors of Credifin Ltd</b>	Stakeholders Relationship Committee-Member

<b>Chairmanship/Membership of the Committees of the Board of Directors of other Companies</b>	NIL
<b>Names of listed entities from which the person has resigned in the past three years</b>	NIL
<b>Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years</b>	NIL
<b>Shareholding in the Company (As on 31.03.2026)</b>	0.39%
<b>Shareholding in the Company as a Beneficial Owner (As on 31.03.2026)</b>	NIL
<b>Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-Nil</b>	
<b>No. of Meetings of Board attended during the FY 2025-26</b>	04

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2 INCLUDING THE INFORMATION OF DIRECTORS, WHOSE REMUNERATION IS BEING FIXED/VARIED**

<b>Name of Director</b>	Ms. Aditi Kapur
<b>Date of First (Original) Appointment on the Board:</b>	June 26, 2021
<b>Date of Birth, Age</b>	29.09.1987 About 38 Years
<b>Designation</b>	Non-Executive Independent Director
It is proposed to re-appoint Ms. Aditi Kapur, as Non-Executive Independent Director of the Company for five (5) consecutive terms commencing from June 26, 2026 and ending on June 25, 2031 as set out in the Special Resolution at Item no. 5 of the Notice and as explained in the Explanatory Statement to the said item.	
<b>Nature of Expertise in Specific Functional Area and experience: -</b>	
Ms. Aditi Kapur Arora, is a qualified Company Secretary and a Law Graduate. She is also a Six Sigma Black Belt certified. She is also a Senior Associate in Kapur Law Firm, a leading civil law firm of Kapurthala established since 1925 and a Senior Associate in M/s Arora and Associates, a leading multi-disciplinary law firm based at Jalandhar. Her expertise includes corporate laws, management consultancy and BPR solutions. She has been handling independently legal matters of the reputed organizations in the region including Consumer Litigation, Arbitration Matters, Revenue Matters etc.	
<b>Terms and Conditions of Appointment or Re-appointment and Remuneration, if any: NIL</b>	
<b>Term</b>	Ms. Aditi Kapur is proposed to be re-appointed as Non-Executive Independent Director of the Company by the Shareholders of the Company in the ensuing Annual General Meeting, for the second term commencing from June 26, 2026 and ending on June 25, 2031. Her office is not liable to retirement by rotation
<b>Remuneration last drawn, if applicable</b>	She is being paid sitting fees of Rs. 10,000/- for attending meetings of the Board and Rs. 5000/- for attending Board Committees, if she is member thereof, in a calendar Quarter. Further she is entitled for reimbursement of actual travelling expenses, if any, for attending meetings of the Board and Committees thereof.
<b>Details of Remuneration sought to be paid</b>	Same as above.
<b>Qualification</b>	Law Graduate and Company Secretary
<b>List of Other Directorships</b>	NIL
<b>Names of Listed Entities in which the person also holds the directorship</b>	No Company other than Credifin Limited (Formerly known as PHF Leasing Limited)
<b>Chairmanship/Membership of the Committees of the Board of Directors of Credifin Limited</b>	1. Audit Committee- Member 2. Nomination and Remuneration Committee- Chairperson
<b>Chairmanship/Membership of the Committees of the Board of Directors of other Companies</b>	NIL
<b>Names of listed entities from which the person has resigned in the past three years</b>	NIL

<b>Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years</b>	NIL
<b>Shareholding in the Company (As on 31.03.2026)</b>	0.04%
<b>Shareholding in the Company as a Beneficial Owner (As on 31.03.2026)</b>	NIL
<b>Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-</b>	
None	
<b>No. of Meetings of Board attended during the FY 2025-26</b>	07
<b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	As per the Nomination and Remuneration Committee (NRC) Policy of the Company, the role of an Independent Director requires a deep understanding of financial markets-particularly legal, along with regulatory insight, strategic thinking, governance experience, and leadership capabilities. Her experience and qualifications align strongly with the core competencies outlined by the Board, making her well-suited for the role of Independent Director. Further, she has been rendering useful contribution to the decision making process of the board as an Independent Director since June 26, 2021
<b>Justification for Appointment of Independent Director</b>	Ms. Aditi Kapur is highly qualified for the role of Independent Director. Since her initial appointment on June 26, 2021, she has been making significant contributions to the decision-making process of the board, further justifying her re-appointment for a second term commencing from June 26, 2026 and ending on June 25, 2031.
<b>Disclosure of the performance evaluation of the director, if applicable</b>	The performance evaluation of Ms. Aditi Kapur as an Independent Director, has been conducted by the Nomination and Remuneration Committee (NRC) and the entire Board, excluding Ms. Aditi Kapur herself. The evaluation criteria included her experience and ability to contribute to the decision-making process, problem-solving approach, attendance and participation in meetings, personal competencies, contribution to strategy formulation, and compliance with regulatory requirements. The NRC and the Board expressed its satisfaction with Ms. Aditi Kapur performance, highlighting her significant contributions to the Board's decision-making process. The performance evaluation was carried out in the meeting of NRC on February 06, 2026 and in the Board meeting held on February 07, 2026

**Annexure N-4**

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS-2 INCLUDING THE INFORMATION OF DIRECTORS, WHOSE REMUNERATION IS BEING FIXED/VARIED**

<b>Name of Director</b>	Mr. Vijay Kumar Sareen
<b>Date of First (Original) Appointment on the Board:</b>	06.05.2021
<b>Date of Birth, Age</b>	24.12.1959 About 66 years
<b>Designation</b>	Whole Time (Executive Director)
It is proposed to approve reappointment of Mr. V.K. Sareen, Whole Time Executive Director within the range from Rs. 18,00,000/- (Rupees Eighteen Lakhs Only) per annum to Rs. 30,00,000/- (Rupees Thirty Lakhs Only) per annum, as set out in the Special Resolution at Item no. 6 of the Notice and as explained in the Explanatory Statement to the said item.	
<b>Nature of Expertise in Specific Functional Area and experience:-</b> Mr. V.K. Sareen had a distinguished academic career, having served as Ex-Vice Principal and Head of the Post Graduate Department of Commerce, where he contributed significantly to the development of academic and professional talent. He is instrumental in setting up of compliance management system and compliance with all RBI, Anti Money Laundering and KYC Regulations in the Company as Whole Time Executive Director.	
<b>Terms and Conditions of Appointment or Re-appointment and Remuneration, if any:</b>	
<b>Term</b>	Mr. V.K. Sareen is proposed to be reappointed as Executive Director of the Company by the Shareholders of the Company in the ensuing Annual General Meeting, for the period from May 6, 2026 till May 5, 2031.
<b>Remuneration last drawn, if applicable</b>	Rs. 19,44,000/- (Rupees Nineteen Lakhs, Forty Four Thousand Only)
<b>Details of Remuneration sought to be paid</b>	He shall be paid remuneration on the following terms:- (1) <b>Revision of fixed Remuneration</b> within the range from Rs. 18,00,000/- (Rupees Eighteen Lakhs Only) per annum to Rs. 30,00,000/- (Rupees Thirty Lakhs Only) per annum (2) <b>Variable pay</b> as may be decided by the Board from time to time in compliance to the Nomination and Remuneration besides the Annual Remuneration at (a) above (3) <b>Service Contract period:</b> - 5 years i.e. from May 6, 2026, till May 5, 2031 (4) <b>Remuneration period:</b> - 3 years i.e. from May 6, 2026 till May 5, 2029 (5) <b>Severance Fees:-</b> No severance fees will be paid to him. (6) Reimbursement of expenses incurred by him on account the business of the Company in accordance of Company's policy.
<b>Qualification</b>	M.Com, M.Phil
<b>List of Other Directorships</b>	NIL
<b>Names of Listed Entities in which the person also holds the directorship</b>	No Company other than Credifin Limited
<b>Chairmanship/Membership of the Committees of the Board of Directors of Credifin Limited</b>	1. Audit Committee - Member 2. Stakeholders Committee, - Member 3. Risk Management Committee- Member
<b>Chairmanship/Membership of the Committees of the Board of Directors of other Companies</b>	NIL
<b>Names of listed entities from which the person has resigned in the past three years</b>	NIL

<b>Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years</b>	NIL
<b>Shareholding in the Company (As on 31.03.2026)</b>	0.33%
<b>Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company:-</b> Mr. V.K. Sareen is not related to any Director, Manager or Key Managerial Personnel of the Company.	
<b>No. of Meetings of Board attended during the FY 2025-26</b>	06

The following detailed information as per Part– II of Schedule V is as follows:

<b>I. General information:</b>				
(1) Nature of industry	The Company operates primarily focused on financing two wheelers and pre-owned commercial four-wheelers. Recognizing evolving market dynamics and emerging growth opportunities, PHF Leasing successfully transitioned into CREDIFIN Limited, embarking on a journey of diversification and innovation. The Company has since broadened its portfolio with segments in Mortgage Loans, Electric Vehicle (EV) Financing, Personalized Financial Solutions			
(2) Date or expected date of commencement of commercial production	Company had been granted Certificate of Commencement on July 20, 1992			
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
(4) Financial performance based on given indicators	<b>STANDALONE BASIS:-</b>			
	<b>PARTICULARS</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>
	Total Income	3466.70	6,337.86	7795.86
	Earnings before Interest, Depreciation and Tax and exceptional items	1923.77	3291.88	4113.11
	Profit before Tax and exceptional items	343.87	610.17	707.47
	Total Profit before Tax after exceptional items	343.87	610.17	707.47
	Total Profit after Tax	388.82	513.85	468.67
	Total Comprehensive Income	380.01	502.63	471.92
	(5) Foreign investments or or collaborations any.	N.A.		
<b>II. Information about the appointee:</b>				
(1) Background details	Mr. V.K. Sareen had a distinguished academic career, having served as Ex-Vice Principal and Head of the Post Graduate Department of Commerce, where he contributed significantly to the development of academic and professional talent. He is instrumental in setting up of compliance management system and compliance with all RBI, Anti Money Laundering and KYC Regulations in the Company as Whole Director.			
(2) Past remuneration	His remuneration for the FY 2025-26 is Rs. 19,44,000/- (Rupees Nineteen Lakhs, Forty Four Thousand Only)			
(3) Recognition or awards	Nil			
(4) Job profile and his suitability	Whole Time Director			
(5) Remuneration proposed	The Remuneration proposed to be paid to Mr. V K Sareen is as per the details set out in the Special Resolution at Item No. 6 of the Notice.			
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of	There are no set standards for remuneration in the industry. The executive remuneration in the industry has been increasing significantly in last few years. Keeping in view the type /trends in the industry, size of the Company, the profile			

<p>expatriates the relevant details would be with respect to the country of his origin)</p>	<p>and responsibilities shouldered by Mr. V K Sareen, the Board believes that the remuneration proposed to be paid to him as Whole Time Executive Director is appropriate and commensurate with the industry standards.</p> <p>Further the remuneration proposed to be paid to him is in accordance with the Nomination and Remuneration Policy of the Company and as per the approval and recommendation of Nomination and Remuneration Committee of the Board.</p>
<p>(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any.</p>	<p>He holds 100930 Equity shares in his name in the Share Capital of the Company as on date</p> <p>Mr. V K Sareen is not related to any Director, Manager or other Key Managerial Personnel of the Company.</p>
<p><b>III. Other information:</b></p>	
<p>(1) Reasons of loss or inadequate profits</p>	<p>However, the profit margins may remain inadequate particularly for the purpose of paying Managerial Remuneration due to some global economical factors, which are critical for the Company.</p>
<p>(2) Steps taken or proposed to be taken for improvement</p>	<p>The Company is fully geared to increase its revenues and to decrease its costs, thereby leading to improved performance in terms of profitability.</p>
<p>(3) Expected increase in productivity and profits in measurable terms</p>	<p>The objective and focus of the Board of Directors is to take the Company to further heights in finance sector. Towards this end, the company has already put in place the required roadmap.</p>