CREDIFIN
#BuildingBharat

Credifin Limited
Formerly known as PHF Leasing Limited
CIN No: L65110PB1992PLC012488
GST No. 03AAACP7603B2Z3

August 27, 2025

To,
Head- Listing & Compliance
Metropolitan Stock Exchange of India Limited (MSEI)
Building A, Unit 205A, 2nd Floor,
Piramal Agastya Corporate Park,
L.B.S Road, Kurla West, Mumbai - 400 070

Sub: Submission of 33rd Annual Report of the Company under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, ("Listing Regulations")

Ref: Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, ("Listing Regulations")

Pursuant to the Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, ("Listing Regulations") as amended, please find enclosed herewith the Annual Report for the financial year 2024-25 along with the Notice of 33rd Annual General Meeting of Credifin Limited (Formerly Known as PHF Leasing Limited).

Kindly take the same on your record.

For and on behalf of
Credifin Limited
(Formerly Known as PHF Leasing Limited)

For CREDIFIN LIMITED
87, Radio Colony, Jalandhar
Shikha Kapoor
Company Secretary

Shikha Kapoor
Company Secretary
Membership No.:A19146

CREDIFIN

ANNUAL REPORT 2024-25

#BuildingBharat

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 PHF 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

Provide a way for the collective leadership of Credifin to encourage common norms of behaviour across our global network.

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BACKED BY INDIA'S FINANCIAL POWERHOUSES

FUNDING RECEIVED	LENDERS
500 Cr+	35+

ESAF SMALL FINANCE BANK

SBI

ICICI Bank

AU SMALL FINANCE BANK

a.k. BUILDING BONDS

sk FINANCE

SHRIRAM
A WINNING RELATIONSHIP

U GRO CAPITAL

Chola
Enter a better life

VIVRITI CAPITAL

AMBIT
Acumen at work

OIKO CREDIT

NORTHERN ARC

smc finance

The Power of Distribution

InCred
Borrow. With Confidence.

...many more National & International Institutions

33 Years of TRUST & COMMITMENT

HEAD OFFICE

- Punjab (Jalandhar)

CORPORATE OFFICE

- Delhi NCR

UPCOMING LOCATIONS

- Odisha
- West Bengal
- Gujarat
- Jharkhand

LIVE LOCATIONS

- Bihar
- Jammu
- Haryana
- Rajasthan
- Chhattisgarh
- Maharashtra
- Chandigarh
- Uttarakhand
- Uttar Pradesh
- Madhya Pradesh
- Himachal Pradesh

547+ Employees

60,000+ Happy Customers

13+ States & UTs

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BOARD OF DIRECTORS

Mr. Kumar Shalya Gupta
MD and CEO

Mr. Kumar Shalya Gupta is a seasoned professional with over 10 years of experience in the financial, technology, Digital Marketing and social sector. His expertise lies in creating innovative solutions that address complex business challenges. He is a law graduate and he has done Diploma in Management from London School of Economics, University of London. He has International Practising Licence from Lean Six Sigma Green and Black Belt. He has worked as an advisor and consultant for leading banks and financial institutions in various capacities, including risk management, investment banking, compliance, NPA Management and corporate finance. He has deep understanding of financial instruments and markets and have advised clients on complex financial transactions. In the technology sector, he has worked with various start-ups and established companies to create and implement digital strategies that drive growth and enhance customer experiences. His experience spans across various industries, including e-commerce, fin tech, and healthcare, where he had led cross-functional teams to deliver cutting-edge solutions. He is involved with non-profit organizations and social enterprises to create sustainable solutions that address social and environmental challenges.

Mr. Vijay Kumar Sareen
Executive Director

Mr. V.K. Sareen corporate strategist and advisor brings a wealth of academic and administrative experience to his role as Executive Director. With a distinguished career as the Ex-Vice-Principal and Head of the PG Department of Commerce, he has been instrumental in shaping the academic landscape for various professionals. He has been actively involved in various academic initiatives, including conducting seminars, workshops, and delivering guest lectures on diverse topics. He has co-authored books on business regulatory framework, corporate legal environment, business laws, indirect taxes, MSME, Banking services management and contributing to the discourse on Capital markets, Voluntary Corporate disclosures and corporate governance. His strategic oversight extends across all aspects of financial operations, compliance, NPA management, and HR enhancing organizational efficiency and performance. His strategic vision and leadership capabilities are driving the company towards continued growth and success.

Mr. Sunil Kumar Mehta
Independent Director

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 & Budgeting, Bills & 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.

He has been actively involved in tender finalization, 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.

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.

He served as the Chief Financial Officer (CFO) of Coal India Limited from January 1, 2022, to February 12, 2024, overseeing the company's financial strategy, risk management, and corporate governance. Additionally, he held the position of Director (Finance) at Coal India Africana Ltd, a foreign subsidiary of Coal India, where he contributed to financial planning and international business operations.

His vast experience includes active participation in Board Meetings, Audit Committees, and Risk Management Committees, ensuring sound financial oversight, regulatory compliance, and risk mitigation at the highest levels of Corporate Governance.

He has demonstrated exceptional leadership and expertise within his field, evidenced by a series of prestigious achievements and recognitions. As the Chairman of the Dhanbad Branch of the CIRC of ICAI in 2011, he led the branch to secure the 2nd Best Branch Award in the smaller category. Additionally, he has served as a co-opted member on various committees including the Committee of Members in Industry of both the EIRC and CIRC of ICAI, and the Internal Audit Standard Board of ICAI for 2023-24, where he authored a Technical Guide on Internal Audit for the Coal Industry, duly approved by ICAI Delhi.

He is the author of the Finance Manual of Coal India, a significant publication released in 2023 that was revised after a gap of 46 years, reflecting his deep understanding and innovative approach to financial management. His strategic insights have also been recognized in the industry through his role as a committee member of the CII CFO Committee for 2022-23 and 2023-24, as well as being awarded the Best HOD of Coal India for 2022 23, and the Excellence Award of Coal India in 2024.

Beyond his professional achievements, he has actively contributed to team sports and community engagement. He has been an integral part of the Coal India cricket team, participating in both tournament and exhibition matches. His expertise is frequently shared as a faculty speaker and panelist at reputed institutions and forums, including IICM, IIM, ICAI, ICWAI, and CFO Meets. Furthermore, his commitment to social responsibility is evident through his active participation in initiatives such as tree plantation, blood donation camps, CSR activities, and the promotion of sports.

Mr. Ashwani Kumar Jindal
Independent Director

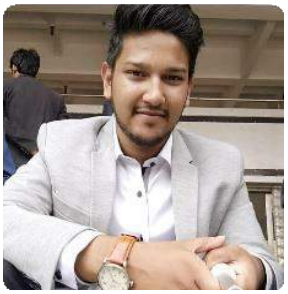
Mr Ashwani Kumar Jindal is an Independent Director. He is a recognized member of the Institute of Chartered Accountants of India. He has an immense knowledgeable experience in Income Tax, GST and Auditing. Worked and dedicated for social cause and organize blood donation camps, Flag Hosting, Plantation and many more. He is Co-opted Member of Internal Audit Standard Board 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 2016-2019. 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.

Ms. Aditi Kapur
Independent Director

Specialization: Corporate Laws, Management Consultancy and BPR solutions 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.

Mr. Chandan Chugh
Non- Executive Director

Specialization: Management, Administration, Educational & Social Work Mr. Chandan Chugh, the younger son of Mr. Shiv Dyal Chugh and brother of Mr. Rohin Chugh, is Promoter and Non-Executive Director of the Board of the Company since 20/09/2000. He is graduate in Hotel Management. He is the Managing Director of PHF Finance Limited. He is having more than 13 years of experience in the NBFC industry and having wide knowledge of all aspects of NBFC business. He also contributes in the Management of the Company and also involved in the Business Administration and Policy Decisions of the Company. Further, He is actively involved in the Social works and Educational activities and also contributes the Management experience in the Business of the Company.



Mr. Meghal Gupta
Non-Executive Director

Mr. Meghal Gupta is an Engineer by profession. He has a wide experience in NBFC and finance sector. He is also the promoter of Hamco Ispat Private Limited, a leading manufacturer and exporter of wide range of industrial tools. He has worked as an Engineer with Happy Forgings Private Limited, GNA Axles Limited and NK Industries Limited. He is a state player of roller skating and judo. He has executed various projects at College Level, namely solar vehicle, hybrid vehicle and power generation through footsteps.

CORPORATE INFORMATION

1. STATUTORY AUDITORS

M/S GSA & Associates
LLP FRN.: 000257N/N500339 16,
DDA Flats, GF,
Panchsheel-Shivalik Mor,
Near Malviya Nagar, New Delhi-110017

2. SECTRETARIAL AUDITORS

Harsh Goyal & Associates
M.NO: 3314
1 st Floor, Noble Enclave,
Bhai wala Chowk, Ferozepur Road,
Ludhiana- 144001, Punjab, India.

3. DEBENTURE TRUSTEE

Catalyst Trusteeship Limited
GDA House, First Floor,
Plot No. 85, No. 94 & 95,
Bhusari Colony, Kothrud Pune-411038, India

Mitcon Credentia Trusteeship Services Limited (formerly known as MITCON Trusteeship Services Limited)
1st Floor, Kubera Chambers Shivaji nagar,
Pune – 411 005, Maharashtra, India

4. REGISTRAR & TRANSFER AGENT

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

5. REGISTERED & CORPORATE OFFICE

Regd. & Corp off: 87, Radio Colony, Jalandhar-144001, Punjab, India

6. CREDIT RATING AGENCY

CRISIL Ratings Limited
CRISIL House, Central Avenue,
Hiranandani Business Park, Powai, Mumbai-400076

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

INTERNAL COMPLAINTS COMMITTEE		
1.	Ms. Shikha Kapoor	Presiding Officer
2.	Ms. Divya Jain	Member
3.	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. Vijay Kumar Sareen	Member (Whole Time Director)
3.	Mr. Parminder Singh	Member (Product Head)
4.	Mr. Lakhwinder Singh	Member (State Head)
5.	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. 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.	Mr. Parminder Singh	Member (Product Head)
5.	Mr. Lakhwinder Singh	Member (State Head)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ABOUT THE COMPANY

CREDIFIN Limited (formerly known as PHF Leasing Limited) ("the Company"): A Legacy of Growth and Innovation

CREDIFIN Limited (formerly known as PHF Leasing Limited) proudly marks 33 years of operations, a testament to its enduring legacy of financial empowerment and sustainable business growth. The Company underwent a significant transformation on October 1, 2020**,** with the entry of Strategic Equity Investors, an inflection point that reinforced its vision for accelerated growth, diversification, and long-term value creation**.**

Guided by this renewed vision, the Board initiated an ambitious expansion roadmap aimed at strengthening the Company's market position through:

- **Robust Collection Mechanism**
- **Strategic investments**,
- **Adoption of advanced technologies**,
- **Expansion of its product portfolio**, and
- **A continued focus on secured lending as its core strength**.
- **Wide and diversified customer base with Geographical diversification**

This forward-looking transformation positions CREDIFIN Limited as a trusted financial partner, committed to innovation, resilience, and customer-centric growth.

Diversification and Expansion

Until September 30, 2020, the Company's operations were 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 the following segments:

- **Mortgage Loans** – Secured against immovable property, catering to small and medium-sized enterprises (SMEs) as well as home improvement financing**.**

- **Electric Vehicle (EV) Financing** – Expanding into the fast-growing EV sector by offering loans for E-rickshaws **and** E-loaders**,** thereby promoting sustainable and eco-friendly mobility**.** EV two wheeler now being added catching a huge potential.

- **Personalized Financial Solutions** – Introducing new offerings such as secured education loans, personal loans, vehicle charger financing, and car loans**,** designed to meet the diverse and evolving needs of customers.

This strategic diversification highlights CREDIFIN's commitment to innovation, sustainability, and financial inclusion**,** while reinforcing its mission to empower communities and drive economic growth.

Empowering Economic Development

CREDIFIN Limited is committed to fostering inclusive and sustainable growth by extending tailored financial solutions to clients across rural and semi-urban regions. The Company's operational footprint spans multiple states, including Punjab, Haryana, Delhi NCR, Himachal Pradesh, Rajasthan, Uttarakhand, Madhya Pradesh, Uttar Pradesh, and Jammu, enabling it to serve a wide and diverse customer base.

As a pioneer in inclusive finance**,** CREDIFIN plays a vital role in supporting underserved communities and driving grassroots economic progress. A key initiative in this direction is the promotion of MSME loans with a mandate for female co-borrowers, reinforcing the Company's commitment to women's financial inclusion, entrepreneurship, and empowerment**.** Through these efforts, CREDIFIN continues to act as a catalyst for regional development, financial literacy, and long-term community upliftment.

A Legacy of Secured Lending Under RBI Oversight

Since its inception in 1992, the Company has remained committed to its secured asset financing model, operating under the robust regulatory framework of the Reserve Bank of India (RBI). Over the years, this foundation has enabled CREDIFIN Limited to maintain stability, trust, and resilience in a dynamic financial landscape.With a forward-looking approach, the Company continues to broaden its financial offerings, strengthen governance practices, and advance its mission of sustainable financial inclusion. By embracing strategic growth initiatives, technological innovation, and responsible lending practices, CREDIFIN is well-positioned to shape a future that is both financially inclusive and sustainable, creating long-term value for its stakeholders and the communities it serves.

TRANSITION MANAGEMENT STRATEGY: KEY INITIATIVES IMPLEMENTED

As part of its strategic transformation, CREDIFIN Limited adopted a comprehensive Transition Management Strategy, with a strong focus on governance, business expansion, technology integration, financial strengthening, and operational efficiency. The following pivotal initiatives were undertaken:

1. Enhancing Governance and Capital Base

- Strengthening governance standards to ensure alignment with industry best practices and regulatory expectations.
- Expanding the capital base through the induction of Strategic Equity Investors with deep domain expertise and proven industry experience.
- Broadening the shareholder profile, thereby reducing financial risk and reinforcing the Company's long-term financial stability and resilience.

2. Board Strengthening

- Enhanced Board oversight and strategic leadership through the induction of seasoned professionals with diverse industry experience.

- Appointed a Chairman, Non-Executive Directors, and Independent Directors to strengthen governance, compliance, and long-term business foresight.

3. Business Expansion & Diversification

- Achieved geographical growth by expanding operations across multiple regions.

- Undertook portfolio diversification to address evolving market needs with a wider range of products, including:
  - Two-Wheeler & Four-Wheeler Financing
  - E-Vehicle & Used Car Financing
  - Secured SME Loans & Home Improvement Loans
- Placed special emphasis on enabling First-Time Homeowners and customers without formal income documentation, thereby advancing financial accessibility and inclusion.

4. Technological Integration: Towards a Tech-Driven NBFC

- Undertook a digital-first approach by integrating technology into all core business functions.

- Successfully implemented:
  - Core Financial Solutions (CFS)
  - Loan Origination Systems (LOS)
  - All-Cloud Software Transition for enhanced scalability and security

- Established a dedicated in-house technology team, led by a Chief Technology Officer (CTO), to spearhead innovation and digital transformation.

- Developed a proprietary in-house LOS – "CREDIFIN", enhancing process efficiency, agility, and customer experience.

- Introduced cross-sell technology-enabled products, such as Secured Education Loans, Medical Loans, and other customized financial offerings, positioning CREDIFIN as a comprehensive "One-Stop Financing Solution."

5. Strengthening Equity Base

- Bolstered financial strength by issuing Strategic Share Warrants, significantly enhancing the Company's net worth and long-term stability.

- Net Worth surged from ₹27.30 Crores to ₹47.65 Crores as of March 31, 2025.

- Successfully raised ₹16.61 Crores, contributing to Tier I Capital and further reinforcing the Company's capital adequacy and financial resilience.

6. Financial Performance Enhancement

- Delivered robust growth across key financial parameters, including:
  - Total Assets
  - Assets Under Management (AUM)

- Gross Revenue
- Profit After Tax (PAT)

- Strengthened portfolio quality by placing strong emphasis on stressed asset recovery and implementing a more streamlined, technology-driven collection system.

- Transitioned to 100% cashless recovery mechanisms, resulting in improved asset quality, transparency, and centralized financial control.

GLOBAL ECONOMIC OVERVIEW

Global Economic Overview – FY 2024-25

During the financial year 2024-25, the global economy experienced a mixed phase characterized by moderate recovery alongside ongoing challenges. While several regions demonstrated resilience in economic growth, the environment remained influenced by persistent inflationary pressures, geopolitical uncertainties, and shifting monetary policies implemented by major economies. Additionally, factors such as elevated interest rates, continued supply chain disruptions, and evolving global trade dynamics played a significant role in shaping the overall economic landscape throughout the year.

1. Global GDP Growth & Outlook

- The International Monetary Fund (IMF) projected global GDP growth to moderate to approximately 3.0% in 2024, indicating a slower yet stable recovery trajectory.
- Advanced economies such as the United States, Eurozone, and Japan recorded modest growth, as central banks maintained cautious and measured monetary policies amid inflation concerns.
- Emerging markets and developing economies (EMDEs), notably China, India, and Southeast Asia, continued to be key drivers of global growth, although growth rates varied due to domestic economic recalibrations and external trade dependencies.

2. Inflation & Monetary Policy

- Inflation continued to be a significant concern, especially in advanced economies, despite concerted efforts by central banks to tighten monetary policies.
- The U.S. Federal Reserve, European Central Bank (ECB), and Bank of England maintained elevated interest rates aimed at curbing inflation while balancing the need to sustain financial stability.
- Emerging economies exhibited a mixed approach to monetary policy, with some central banks easing rates to stimulate growth, while others remained cautious due to currency volatility and ongoing inflation risks.

3. Geopolitical Uncertainties & Trade Disruptions

- Persistent geopolitical tensions, notably the ongoing Russia-Ukraine conflict and escalating trade frictions between the U.S. and China, continued to exert pressure on global markets.
- Supply chain disruptions remained a challenge, impacting global trade flows, particularly in critical sectors such as energy, semiconductors, and essential commodities.
- Fluctuations in oil prices, driven by uncertainties around OPEC+ production policies and geopolitical risks in the Middle East, influenced inflationary trends and global trade balances.

4. Growth in Emerging Markets & Developing Economies (EMDEs)

- China's economic recovery remained a crucial growth engine, supported by targeted policy interventions, though it continues to navigate structural challenges such as a slowing real estate market and demographic transitions.
- India emerged as a bright spot, driven by robust domestic consumption, rapid digital transformation, and sustained infrastructure investments fueling economic expansion.
- Other emerging economies, including Brazil, Indonesia, and Mexico, displayed tentative recovery signs, tempered by concerns over capital flow volatility and external economic vulnerabilities.

5. Financial Markets & Currency Trends

- Global stock markets experienced volatility, influenced by factors including interest rate adjustments, corporate earnings reports, and macroeconomic data releases.
- Cryptocurrency markets remained highly speculative, with major economies tightening regulatory frameworks to address risks and enhance investor protection.
- The sustained strength of the U.S. dollar exerted pressure on emerging market currencies, impacting capital flows and contributing to financial market dynamics.

6. Sustainable Growth & Digital Transformation

- Global investments in sustainability, green energy, and digital transformation continued to accelerate, reflecting a growing emphasis on responsible and future-ready business practices.
- The momentum behind Environmental, Social, and Governance (ESG) investing strengthened, prompting significant policy shifts across various industries aimed at promoting sustainable development.
- Sectors driven by AI-powered automation, fintech innovations, and e-commerce witnessed robust growth, fundamentally reshaping traditional business models and driving new opportunities for value creation.

The International Monetary Fund (IMF) projects a global economic growth rate of 3.2% for 2025, maintaining a pace consistent with that of 2024.Global inflation is forecasted to decline to 4.2% in 2025 and further ease to 3.5% in 2026, with advanced economies expected to achieve their inflation targets earlier than emerging and developing economies.

The economic outlook for FY 2025 is balanced, with risks considered broadly neutral. Potential downside risks include price increases due to geopolitical conflicts, notably the ongoing war in Ukraine and tensions in the Middle East.

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	ESTIMATE 2024	PROJECTIONS 2025	2026
World Output	3.2	3.3	3.3
Advanced Economies	1.7	1.9	1.8
United States	2.8	2.7	2.1
Euro Area	0.8	1.0	1.4
Germany	-0.2	0.3	1.1
France	1.1	0.8	1.1
Italy	0.6	0.7	0.9
Spain	3.1	2.3	1.8
Japan	-0.2	1.1	0.8
United Kingdom	0.9	1.6	1.5
Canada	1.3	2.0	2.0
Other Advanced Economies	2.0	2.1	2.3
Emerging Market and Developing Economies	4.2	4.2	4.3
Emerging and Developing Asia	5.2	5.1	5.1
China	4.8	4.6	4.5
India	6.5	6.5	6.5
Emerging and Developing Europe	3.2	2.2	2.4
Russia	3.8	1.4	1.2
Latin America and the Caribbean	2.4	2.5	2.7
Brazil	3.7	2.2	2.2
Mexico	1.8	1.4	2.0
Middle East and Central Asia	2.4	3.6	3.9
Saudi Arabia	1.4	3.3	4.1
Sub-Saharan Africa	3.8	4.2	4.2
Nigeria	3.1	3.2	3.0
South Africa	0.8	1.5	1.6
Memorandum			
Emerging Market and Middle-Income Economies	4.2	4.2	4.2
Low-Income Developing Countries	4.1	4.6	5.4

Source: IMF, *World Economic Outlook Update*, January 2025

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2024/25 (starting in April 2024) shown in the 2024 column. India's growth projections are 6.8 percent for 2025 and 6.5 percent for 2026 based on calendar year.

INTERNATIONAL MONETARY FUND IMF.org/pubs

Additionally, sustained tightness in labor markets may affect interest rate expectations. Variations in disinflation rates across major economies could result in currency fluctuations, potentially impacting the financial sectors

OVERVIEW OF INDIAN ECONOMY FY 2024-25

Amidst a challenging global economic environment, India has demonstrated remarkable resilience, emerging as the fastest-growing major economy for the third consecutive year in FY 2024. The National Statistical Office (NSO) projects a robust real GDP growth of 6.4% for FY 2025**,** supported by:

- Government-led capital expenditure initiatives
- Enhanced capacity utilization
- Strong performance in the services sector
- Double-digit credit growth
- Strengthened corporate and banking sector balance sheets

The Second Advance Estimates for FY 2025 indicate sectoral performances as follows:

- **Agriculture and Allied Sectors:** Real Gross Value Added (GVA) is expected to grow by 3.8%**,** up from 1.4% in the preceding year, reflecting improved agricultural output.

- **Industrial Sector:** Anticipated growth of 5.3%**,** compared to 4.1% in FY 2024, driven by robust activity across all sub-sectors.

- **Services Sector:** Projected to grow at 7.2%**,** following a 10.8% growth rate in the previous year, with significant contributions from trade, hotels, transport, communication, broadcasting services, as well as financial, real estate, and professional services.

Goods and Services Tax (**GST**) revenues have shown consistent growth, underscoring strong domestic economic activity:

- February 2025 collections reached approximately ₹1.84 lakh crore, marking a **9**.1% increase year-over-year.
- January 2025 collections were around ₹1.95 lakh crore**,** reflecting a 12.3% year-over-year growth**.**

These robust GST collections highlight the vitality of domestic trade, with monthly revenues consistently exceeding the ₹1.8 lakh crore mark in early 2025.

FINANCE INDUSTRY IN INDIA

India's Financial Services Sector: Growth Drivers and Challenges

India's financial services sector is witnessing rapid expansion, fueled by rising incomes, technological innovations, government reforms, and a strong focus on enhancing financial

inclusion. While these positive trends are encouraging, challenges persist in improving financial literacy and widening access to formal credit.

Key Factors Driving Growth:

1. **Increasing Income Levels:** As disposable incomes rise across various population segments, savings and investment potential have grown, driving demand for diverse financial products including banking, insurance, and investment services. The number of High Net-Worth Individuals (HNWIs) in India is projected to reach approximately 1.65 million by 2027, more than doubling from 797,714 in 2022.

2. **Technological Advancements in Fintech:** The sector has been transformed by rapid technology adoption, with innovations such as mobile banking, digital payments, blockchain, and AI-driven financial solutions enhancing efficiency and expanding access to previously underserved populations.

3. **Financial Empowerment:** The Financial Inclusion Index (FI Index), measuring the accessibility and usage of financial services, has shown continuous improvement nationwide. This reflects enhanced access, better usage, and improved quality of financial services, particularly among traditionally underserved groups.

4. **Growing Penetration of Information Technology:** Increasing internet penetration in rural areas, coupled with financial literacy initiatives, is expanding the fintech ecosystem beyond urban centers to include rural populations, MSMEs, new-to-credit customers, and lower-income groups.

5. **Government Initiatives:** The Union Budget 2025-26 included significant reforms to strengthen the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), with the corpus increased to ₹16,500 Crores. Initiatives such as Jan Dhan Yojana, Aadhaar-based payments, and the Digital India campaign have been instrumental in broadening financial inclusion and digital financial services across the country.

Together, these factors are driving the dynamic growth of India's financial services sector, fostering a more inclusive and technologically advanced financial ecosystem.

INDUSTRIAL LANDSCAPE AND PROGRESS

NBFCs Overview

Non-Banking Financial Companies (NBFCs) have emerged as a vital pillar of India's financial ecosystem, bridging credit gaps by providing essential financing to a diverse spectrum of borrowers, including small and medium-sized enterprises (SMEs) and underserved segments.

With their extensive reach, deep understanding of varied financial needs, and agile service delivery, NBFCs play a crucial role in advancing financial inclusion. By leveraging technology to enable last-mile credit delivery, NBFCs complement the traditional banking sector and

significantly support the growth of millions of micro, small, and medium enterprises (MSMEs), contributing substantially to employment generation and economic development.

Recent Performance and Growth

Between September 2022 and September 2023, the Non-Banking Financial Company (NBFC) sector witnessed robust credit growth, with gross advances rising by 20.8%**,** a marked increase from the 10.8% growth recorded in the previous year.

This strong momentum was primarily driven by significant growth in:

- **Personal loans**, which surged by 32.5%**,** and
- **Agricultural lending**, which expanded by 43.7%**.**

Over the past four years, personal loans have demonstrated a remarkable compound annual growth rate (CAGR) of 33%**,** substantially outpacing the overall credit growth rate of nearly 15% CAGR during the same period.

Performance in FY 2025

In FY 2025, NBFCs sustained their lead over banks in credit growth. Disbursements by NBFCs (excluding Infrastructure-NBFCs) remained strong during the first half of the year, fueled primarily by robust consumption demand. Collection efficiency continued to be healthy and is expected to remain resilient, supported by improved economic activity and a positive sectoral outlook. Moreover, the expanding presence of digital lenders offering alternative financing solutions has further bolstered the growth momentum of the NBFC sector.

Outlook

The asset under management (AUM) of NBFCs is projected to grow by 13-15% in FY 2025, following a strong 18% growth in FY 2024. As of March 2024, the sector's AUM stood at approximately ₹47 trillion and is expected to exceed ₹50 trillion in FY 2025.

India's GDP growth, approaching a sustainable 7%, combined with subdued inflation and robust double-digit credit growth, provides a favorable environment for NBFCs to capitalize on the next phase of expansion.

Although new Reserve Bank of India (RBI) regulations have introduced higher risk weights on NBFC loans, potentially increasing borrowing costs, NBFCs are expected to adjust lending rates accordingly to mitigate immediate impacts.

Looking ahead, sustained growth is supported by accelerating digitization efforts, buoyant consumer sentiment, resilient auto sales, and strong housing demand. Additionally, improved provisioning, strengthened balance sheets, enhanced asset quality, and stabilizing funding conditions are well-positioned to empower NBFCs to meet the growing credit needs of the economy.

Major Regulatory Reforms

As Non-Banking Financial Companies (NBFCs) continue to grow in scale and significance within India's financial ecosystem, the Reserve Bank of India (RBI) has intensified regulatory measures to strengthen and modernize their operations.

These regulatory initiatives focus on enhancing governance standards, fortifying risk management frameworks, and expanding supervisory oversight. The objective is to mitigate systemic risks and ensure the stability and resilience of the broader financial services sector.

Enhanced Risk Weighting for Unsecured Lending

In November 2023, the Reserve Bank of India (RBI) increased the risk weights on unsecured retail loans, such as personal loans and credit cards by 25 basis points to 125%**.** This change requires NBFCs to maintain higher capital provisions to address the elevated risks associated with unsecured lending, thereby affecting their capital adequacy positions.

Additionally, the RBI raised risk weights on bank exposures to NBFCs by 25 percentage **points**; however, this increase was reversed in February 2025. Effective April 1, 2025, the risk weights will be restored to levels aligned with external credit ratings. This rollback is anticipated to enhance the flow of bank credit to NBFCs and support broader economic growth.

Scale-Based Regulation for NBFCs

The Reserve Bank of India (RBI) introduced Scale-Based Regulations (SBR) on October 22, 2021, to customize regulatory frameworks according to the size and complexity of NBFCs. Our Company is fully committed to adhering to all applicable laws, regulations, and guidelines prescribed by the RBI, including those related to capital adequacy and non-performing assets**.** Our Asset Liability Management (ALM) undergoes rigorous quarterly reviews by the dedicated Board-level Asset Liability Committee, ensuring robust financial oversight. As of March 31, 2025, our Liquidity Coverage Ratio (LCR) stands at 100%**,** meeting the RBI's mandatory requirement for this period.We have implemented all mandatory policies outlined under the SBR framework applicable to the Company**.**

Prudential Norms for Income Recognition, Asset Classification, and Provisioning (IRACP)

We maintain provisions in our financial statements that fully comply with the requirements under both IND-AS and the Income Recognition, Asset Classification, and Provisioning (IRACP) norms as prescribed by the Reserve Bank of India (RBI). This ensures our financial practices remain robust and aligned with the highest regulatory standards. 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 exhibit resilience and robust growth, underpinned by rising consumer purchasing power, accelerating urbanization, and supportive government policies. The country has emerged as a significant global automotive hub, ranking fourth in car manufacturing worldwide. India also holds leading global positions in the production of heavy vehicles, being the largest producer of tractors**,** the second-largest manufacturer of buses**,** and the third-largest producer of heavy trucks**.**

In the domestic market, two-wheelers lead in volume, driven by a growing middle-income population and a youthful demographic. Industry expansion has been further supported by manufacturers' efforts to penetrate rural markets.

The logistics and passenger transportation sectors have additionally boosted demand for commercial vehicles. Looking ahead, emerging trends such as vehicle electrification, especially in three-wheelers and compact passenger vehicles, are expected to significantly influence the market's future trajectory.

Production and Sales Performance:

According to the Society of Indian Automobile Manufacturers (SIAM), the Indian automotive industry produced 28.4 million vehicles across categories including passenger vehicles (PVs), commercial vehicles (CVs), three-wheelers (3Ws), two-wheelers (2Ws), and quadricycles during the fiscal year 2023-24. This reflects a robust increase from 25.9 million units produced in the previous fiscal year.

In domestic sales, the passenger vehicle segment led the growth, with overall sales reaching approximately 5 million units, of which 4.2 million were domestic sales, an increase of 8.4% and 0.7 million units were exported**.** The two-wheeler segment also demonstrated significant recovery, with domestic sales growing over 13% to nearly 18 million units, though this remains below the pre-pandemic peak of 21 million units recorded in FY 2018-19.

Despite these positive developments, overall auto production levels remain approximately 8% below pre-pandemic 2019 levels. While passenger vehicle sales have surpassed pre-pandemic figures, segments such as commercial vehicles, two-wheelers, and three-wheelers have yet to fully recover.

The industry's growth momentum is expected to continue, driven by ongoing advancements in vehicle electrification and rising demand across multiple segments.

Based on the available data, here is the updated table reflecting domestic vehicle sales in India across various categories, along with the calculated Compound Annual Growth Rates (CAGR):

Category	2020-21	2021-22	2022-23	2023-24	2024-25	1-Year CAGR	3-Year CAGR
Passenger Vehicles	2.71	3.07	3.89	4.22	4.39	4.03%	12.66%
Commercial Vehicles	0.57	0.72	0.96	0.97	0.97	0.00%	10.46%
Three-Wheelers	0.22	0.26	0.49	0.69	0.73	5.80%	40.82%
Two-Wheelers	15.12	13.57	15.86	17.97	19.95	11.02%	13.66%
Grand Total	18.62	17.62	21.20	23.85	26.04	9.17%	12.60%

The Government of India has laid out a strategic vision and comprehensive policy frameworks to accelerate the adoption of electric vehicles (EVs), responding to increasing consumer demand for sustainable and eco-friendly transportation alternatives. By 2030, India aims to emerge as a global leader in shared mobility, unlocking significant opportunities in electric and autonomous vehicle technologies.

Supporting this vision are key initiatives such as the Automotive Mission Plan 2026, Vehicle Scrappage Policy, and the Production-Linked Incentive (PLI) scheme. These measures are designed to enhance India's competitiveness in the two-wheeler and four-wheeler segments, stimulate domestic manufacturing, improve supply chain efficiencies, and attract substantial global investments.

The rural market continues to be a vital growth engine for the Indian automotive industry. Notably, the tractor sector has shown consistent resilience and steady export growth, solidifying India's standing as a leading manufacturer of agricultural equipment.

Through these targeted policy interventions, India is well-positioned to strengthen its automotive ecosystem, fostering innovation, sustainability, and sustainable long-term economic growth.

Push Towards Electric Vehicles

The Government of India's commitment to advancing electric vehicle (EV) adoption is underscored by a range of strategic initiatives designed to bolster domestic manufacturing and accelerate the transition to sustainable mobility.

Key measures include:

- Customs duty exemptions on capital goods and machinery critical for manufacturing lithium-ion cells used in EV batteries.
- A budgetary allocation of ₹2,671 crore in FY 2025 for the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME III) scheme, reflecting strong governmental support for clean transportation.
- The Ministry of Heavy Industries has sanctioned 6,862 e-buses for intra-city operations, benefiting various cities, state transport undertakings, and state governments.

- Reduction in customs duty on lithium-ion cells from 21% to 13%, aimed at lowering manufacturing costs.
- Introduction of viability gap funding for battery storage systems with a capacity of 4,000 MWh as part of the FY 2024 Budget.

These proactive initiatives are positioned to significantly enhance EV infrastructure, stimulate domestic production, and establish India as a global leader in the clean energy transition.

MSME financing

India's Micro, Small, and Medium Enterprises (MSME) sector is a vital pillar of the nation's economy, contributing approximately 30% to India's Gross Domestic Product (GDP) and providing employment to over 110 million individuals across diverse industries. This sector is a major driver of credit demand, with small enterprises alone accounting for 40.67% of India's manufacturing output in the fiscal year 2019-20.

MSMEs have consistently contributed a significant share to India's exports, with figures of 49.77% in 2019-20, 49.35% in 2020-21, and 45.03% in 2021-22. 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.

In 2023, the Reserve Bank of India (RBI) launched the Public Tech Platform for Frictionless Credit, designed to digitize lending for MSMEs and Kisan Credit Card (KCC) loans. This platform focuses on loan products such as KCC loans up to ₹1.6 lakh per borrower and unsecured MSME loans, facilitating seamless credit access through participating banks. The initiative leverages technology and data analytics to enhance credit flow, particularly in semi-urban and rural areas.

The MSME sector is projected to grow by 7% in FY 2025, driving increased credit demand and a larger share of disbursements from Scheduled Commercial Banks (SCBs) and NBFCs. Government initiatives, including the 'Atmanirbhar Bharat' campaign and the Production Linked Incentive (PLI) scheme, are expected to further stimulate credit demand within this segment.

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.

FINANCIAL AND OPERATIONAL PERFORMANCE

S. No.	Particulars	2024-2025	2023-2024	Change (in %)
1	Total Income (including exceptional items)	6,337.86	3466.70	82.82%
2	Net Interest Income	2739.27	1755.02	56.08%

3	Assets Under Management (Owned + Managed)	35077	20938.00	67.53%
4	Net worth	5847.42	4018.14	45.53%
5	Profit after tax	513.84	388.82	32.16%
6	Capital AdequacyRatio	28.03%	30.23%	(7.28%)
7	Return on total assets	2.03%	2.43%	(16.35%)
8	Debt Equity Ratio	3.15x	2.91x	8.25%
9	Net Profit Margin	8.33%	11.22%	(25.76%)
10	Return on NetWorth	8.95%	10.50%	(14.76%)

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company recognizes the vital importance of a robust internal control system in ensuring operational efficiency, regulatory compliance, and safeguarding resources. By maintaining a clearly defined organizational structure, documented policy guidelines, and a structured authority matrix, the Company promotes smooth operations while ensuring strict adherence to internal policies, applicable laws, and regulatory requirements.

To enhance operational resilience, the Company continuously upgrades its processes and control mechanisms, aligning them with industry best practices.

The internal control framework is reinforced through:

- Extensive internal audits designed to evaluate the effectiveness of controls and risk mitigation efforts.
- Regular management reviews that monitor compliance and operational efficiency.
- Established standardized policies and guidelines that ensure accuracy and transparency in financial reporting.
- Periodic oversight and review by the Audit Committee to uphold the integrity of financial reporting.

Internal Audit and Risk-Based Approach

The Internal Audit function is integral to strengthening corporate governance within the Company. The Internal Auditor undertakes regular and independent evaluations of business processes, identifying opportunities for improvement. These audits assess:

- The adequacy and effectiveness of internal controls.
- Compliance with Company policies and regulatory requirements.
- Risk exposure across departments, ensuring appropriate controls are implemented to mitigate identified risks.

- Operational efficiency and financial reliability.

The Company has also implemented a Risk-Based Internal Audit (RBIA) policy to adopt a systematic approach to risk identification and management. The RBIA framework emphasizes:

- Identification of key activities and their associated risks within business processes.
- Evaluation of the effectiveness and operational impact of existing internal controls.
- Recommendations to enhance business processes and bolster risk mitigation strategies.

Through proactive risk management, ongoing monitoring, and strategic oversight, the Company ensures the effectiveness of its internal financial control system, thereby fostering compliance, transparency, and sustainable long-term growth.

FUTURE STRATEGY

Strategic Roadmap for Sustainable Growth

The Board has defined a comprehensive medium- and long-term strategy to achieve corporate objectives by focusing on customer-centric innovation, technological advancement, market expansion, and operational excellence.

1. **Enhancing Customer Experience**

   The Company is dedicated to streamlining the loan application process, delivering personalized services, and offering competitive interest rates to boost customer satisfaction. Targeted digital marketing campaigns are deployed to engage key customer segments and drive lead generation.

2. **Leveraging Technology for Operational Efficiency**

   To optimize operations and strengthen decision-making, the Company is:

   - Implementing a user-friendly online loan application platform to improve accessibility.
   - Utilizing data analytics to gain insights into customer behavior, enabling more tailored product offerings.
   - Strengthening its digital presence through online branding, referral programs, and strategic partnerships.

3. **Geographic Expansion & Market Penetration**

   The Company is strategically identifying high-growth regions and tailoring financial solutions to meet local market requirements. This expansion aims to diversify the customer base and solidify market positioning.

4. **Strengthening Risk Management & Workforce Development**

   For sustained success, the Company is:

- Implementing robust risk management frameworks to mitigate financial and operational risks.
- Investing in employee training and development to build a skilled, innovative workforce.
- Cultivating a culture of continuous improvement, compliance, and transparency to reinforce trust among customers and stakeholders.

5. **Embracing Digital Transformation & Future-Readiness**

   To stay ahead of industry trends, the Company is:

   - Monitoring emerging technologies and integrating AI, fintech innovations, and automation to enhance efficiency.
   - Providing financial education resources to improve customer financial literacy.
   - Maintaining an adaptive business model responsive to evolving market dynamics.

By combining technological innovation, customer-focused solutions, and operational excellence, the Company is well-positioned to achieve sustained growth, deepen customer loyalty, and establish itself as a leader in the financial services industry.

HUMAN RESOURCES

At Credifin Limited, we recognize our employees as our most valuable assets, underpinning the foundation of our operations and success. Our organizational structure supports growth and operational efficiency, with a strategic emphasis on expanding our network through new collection centers and targeted recruitment.

As of March 31, 2024, our workforce comprised 495 employees. By March 31, 2025, this number had grown to 660**,** reflecting our commitment to scaling operations and enhancing customer service delivery.

Talent Management

Our Nomination and Remuneration Committee regularly reviews career development plans for senior management, ensuring a strong leadership pipeline aligned with future growth strategies. We prioritize the identification and development of high-potential employees through comprehensive programs designed to prepare them for advanced roles within the Company.

Employee Wellness and Engagement

We are committed to creating a supportive and engaging work environment. Our "Friendly Workplace" initiative**,** launched in 2024, adopts a holistic approach to employee engagement, focusing on health and well-being through various wellness programs. During the post-pandemic transition, we implemented flexible support mechanisms to ensure a smooth and comfortable return to the workplace.

Continuous Learning

We believe in fostering continuous learning opportunities for all employees. Our training programs aim to enhance job performance and facilitate career progression, ensuring our workforce remains skilled, competent, and motivated.

By investing in employee development and well-being, we strive to cultivate a motivated and skilled workforce that drives our company's success and positively contributes to the financial services sector.

SCOT ANALYSIS

OUR STRENGTHS

- **Operational Flexibility & Agility:** The Company's ability to swiftly adapt to changing market dynamics and tailor financial solutions to specific customer needs provides a competitive advantage. A scalable and well-structured organizational framework ensures efficient resource allocation and effective management.
- **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:** Building long-term, personalized relationships enables the Company to deliver tailored financial solutions aligned with individual customer requirements.
- **Technology & Innovation:** An in-house technology development team drives the creation of cutting-edge financial products, streamlining operations and enhancing customer experience.
- **Experienced Leadership:** A seasoned senior management team leverages deep industry knowledge to provide strategic direction and drive 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:** The Company remains vulnerable to economic downturns, which could lead to higher default rates and delayed payments, impacting 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 new products like equipment financing, working capital loans, and customized credit solutions can capture untapped segments and enhance profitability.

- **Digital Transformation:** Leveraging online platforms, mobile apps, and data analytics to streamline processes, reduce costs, and improve customer engagement.

- **Strategic Partnerships:** Collaborations with banks, fintech companies, and other financial institutions offer access to new funding sources and wider market reach.

- **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.

- **Regulatory and Interest Rate Volatility:** Changing regulatory frameworks and fluctuating lending rates may increase compliance costs and financing expenses, affecting profitability.

- **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.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operates solely in India and is primarily engaged in financing activities, thus it is considered to operate within a single domestic segment. Consequently, all operations fall under a single business segment, and the Compan Additionally, sustained tightness in labor markets may affect interest rate expectations. Variations in disinflation rates across major economies could result in currency fluctuations, potentially impacting the financial sectors does not have any separate reportable segments. Additionally, tightness in labor markets may affect interest rate expectations. Variations in disinflation rates across major economies could result in currency fluctuations, potentially impacting the financial sectors.

RISK MANAGEMENT

The Company recognizes multiple key risks integral to its operations, traditionally focusing on Credit Risk, Market Risk, and Operational Risk. With the evolving non-banking financial landscape, emphasis has broadened to include Liquidity Risk, Information Technology Risk, and Information Security Risk**,** which impact both financial health and reputation. The Company has established a Board-approved risk strategy and policies, overseen by the Risk Management Committee (RMC), which ensures proper frameworks are in place to assess, manage, and align risks with the Company's capital and monitors compliance. The RMC also guides policy development to suit changing business needs and risk appetite.

1. Credit Risk

Credit Risk—the risk of financial loss due to borrower or counterparty credit deterioration—is critical for the Company. A comprehensive credit risk framework is in place, encompassing policies, procedures, and systems.

- The loan portfolio is fully retail-focused with robust front-end and back-end systems designed to maintain credit quality and minimize defaults.
- The loan approval process involves a stringent evaluation of income, demographics, credit history, loan tenure, and banking behavior.
- Multiple credit risk models assess customer segments, supported by continuous monitoring and verification critical to informed lending.
- As of March 31, 2025, Gross Non-Performing Assets (GNPAs**)** stood at 3.76% of Gross Advances and Net NPAs at 2.97% of Net Advances, reflecting strong asset quality.
- The Company adopts a conservative provisioning policy exceeding regulatory requirements, providing a buffer against credit losses and reinforcing financial strength.

2. Market Risk

Market Risk arises primarily from reserve management and trading in interest rates, equity, and currency markets. It is managed using a Board-approved Risk Management Policy and a Stress Testing Framework that simulates market scenarios for loss assessment and remedial action.

Liquidity Risk

Liquidity Risk—the risk of being unable to meet financial obligations or raise funds at optimal costs—is managed via a comprehensive Liquidity Risk Management (LRM) framework**. The** Asset Liability Committee (ALCO) and the Asset Liability Management Committee (ALMCO) oversee adherence to risk limits, liquidity buffers, and diversified funding sources.

3. Human Capital Risk

Human Capital Risk involves losing key talent or employees with critical skills. 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.

4. Information Technology Risk

With increasing reliance on technology, IT risks are managed through:

- Periodic control testing
- Simulations and continuous monitoring with AI and ML tools
- Cybersecurity measures such as multifactor authentication and data replication

Interest Rate Risk

This risk pertains to fluctuations in interest rates impacting borrowing costs, interest income, and net interest margins. The Company regularly conducts sensitivity analyses and manages interest rate risk through a balanced borrowing and investment strategy.

5. Operational Risk

Operational Risk, from internal deficiencies or external events (e.g., legal issues), is managed via an Operational Risk Management Policy, clear role definitions, segregation of duties, and monitoring of Key Risk Indicators (KRIs) for timely corrective steps.

Business Risk

Exogenous factors such as industry competition, economic conditions, and natural events affect customer repayment capacity. Mitigations include product diversification, a responsive sales force, and ongoing customer service improvements.

6. Compliance Risk

Compliance Risk relates to potential reputational damage or financial loss from non-compliance with laws and regulations. The Company has a dedicated Compliance Department, adheres to RBI and other regulatory guidelines, and has implemented an Internal Capital Adequacy Assessment Process (ICAAP) and a Stress Testing Framework to ensure compliance and operational resilience.

Internal Capital Adequacy Assessment Process (ICAAP)

The Company maintains strict internal controls to mitigate operational risks, including: centralized operations, segregation of duties, and executive committees overseeing capital, risk,

and customer service. The Internal Audit Department performs risk-based audits to evaluate control effectiveness and regulatory adherence.

Stress Testing Framework

The Company's Board-approved Stress Testing Policy evaluates its ability to withstand extreme but realistic adverse scenarios, taking into account geopolitical, economic, and sectoral trends. Stress testing results guide capital impact assessments and identify potentially vulnerable borrowers.

Internal Controls, Audit, and Compliance

Robust internal controls separate front-office customer interactions from back-office processing. Mid-office risk teams set and monitor policy limits; credit sanctioning and debt management remain independent from sales and operations. Executive-level committees oversee capital management, operational risk, compliance, and business practices. Preventive and detective controls ensure accounting accuracy and timely issue identification. The Internal Audit Department conducts independent, risk-based audits recommending improvements while ensuring regulatory compliance.

DISCLOSURE OF ACCOUNTING TREATMENT

The Financial Statements have been 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 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").

CAUTIONARY STATEMENT

The Board of Directors has reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have acknowledged its contents. Statements in this report regarding the Company's objectives, projections, estimates, assumptions, and predictions are forward-looking statements governed by applicable laws and regulations.

These statements are subject to inherent risks and uncertainties. The Company's operations are influenced by various external and internal factors beyond the control of the management. Consequently, actual results may differ materially from those expressed or implied in these forward-looking statements.

The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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

Place: Jalandhar
Date: April 25, 2025

Meghal Gupta
Non-Executive Director
DIN:09179500
Add: H.No 76, Green Park, Jalandhar-144001, Punjab

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

Obituary Note – Mr. Yaduvendra Mathur (Retd. IAS)

The Board of Directors expresses its profound grief at the sad demise of Mr. Yaduvendra Mathur, Retired IAS Officer (1986 batch, Rajasthan cadre), who passed away on May 4, 2024, in Chennai during cardiac surgery.

Mr. Mathur had an illustrious public service career spanning over three decades, having held senior positions such as:

- Chairman & Managing Director, EXIM Bank of India
- Special Secretary, NITI Aayog
- Principal Secretary (Finance), Government of Rajasthan
- Chairman, Rajasthan State Investment Promotion Board

A distinguished alumnus of St. Stephen's College, Delhi, and IIM Ahmedabad, Mr. Mathur was widely acknowledged for his strategic foresight, policy insight, and financial expertise.

Mr. Mathur served as the Chairman and Independent Director of CrediFin Ltd., and played a pivotal role in guiding the Company's transformation and strategic growth. Under his chairmanship, the Company witnessed significant progress in governance, risk management, regulatory alignment, and business scalability. His visionary guidance helped lay the foundation for Credifin's expansion across geographies and product verticals, fostering operational excellence and long-term sustainability.

The Board records its deep appreciation for the invaluable contribution made by Mr. Mathur to the Company and mourns the loss of a mentor, leader, and true statesman.

The Board extends its heartfelt condolences to his family and prays that his soul may rest in eternal peace.

Obituary Note – Mr. Vijay Kumar Bhandari

The Board of Directors of CrediFin Ltd. records with deep sorrow the passing of Mr. Vijay Kumar Bhandari, Director, in October 8, 2024 after a courageous battle with cancer.

Mr. Bhandari, a Fellow Chartered Accountant, had an illustrious career spanning over 33 years in the banking and financial sector, having retired as General Manager, Central Bank of India. His vast expertise encompassed Treasury, International Banking, Credit, and Merchant Banking. Post-retirement, he served as Director on the Boards of several prominent institutions including Capital Small Finance Bank, HSIL Ltd., Jayant Agro, Midland Microfin Ltd. (Chairman), and others.

At CrediFin Ltd., Mr. Bhandari, representing Agile Finserv Pvt Ltd., played a pivotal role in the company's strategic transformation. He was known for his financial acumen, visionary guidance, and his commitment to mentoring young professionals. His motivational presence and principled leadership left an indelible mark on the organization.

The Board expresses its deepest condolences to his family and acknowledges his profound contributions. His legacy will continue to inspire the Company.

May his noble soul rest in peace.

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 33rd Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2025 ("FY 2024-25" 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, 2025, as compared to the previous financial year ended March 31, 2024, is presented below:

(Rs. In Lakhs)

PARTICULARS	For period ended March 31, 2025 (Audited)	For period ended March 31, 2024 (Audited)
Total Revenue from Operations	6,337.86	3,466.70
Total Expenses	5,727.69	3,122.83
Profit/ (Loss) before exceptional and extraordinary items and tax	610.17	343.87
Exceptional items	-	-
Profit/ (Loss) before tax	610.17	343.87
Tax expense	96.33	(44.95)
Net Profit/(Loss) for the period	513.84	388.82
Total Comprehensive Income /(Loss) for the period	502.63	380.01
Reserves & Surplus excluding revaluation reserves	5,476.78	3526.50
Dividend %	-	-
Earnings Per Share (In Rs.) • Basic • Diluted	 4.15 2.70	 3.14 3.13

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 2024–25, CrediFin Limited achieved a stellar performance across key metrics, cementing its position in India's NBFC sector.

- Revenue from Operations surged to ₹6,337.87 lakhs, reflecting a remarkable 82.82% year-on-year growth from ₹3,466.70 lakhs in FY 2023–24.
- Profit Before Tax (PBT) elevated to ₹610.18 lakhs (+77.44%), and Profit After Tax (PAT) reached ₹513.85 lakhs (+32.16%).
- Assets Under Management (AUM) expanded from ₹212.28 crores to ₹350.77 crores, marking a growth of 65.24% 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. 610.17 Lakhs for the financial year 2024-25, marking a significant growth of 77% compared to Rs. 343.87 Lakhs recorded in the previous financial year ending March 31, 2024.

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 2024-25 stood at Rs. 502.63 Lakhs, reflecting a growth of 32% compared to Rs. 380.01 Lakhs in the previous financial year 2023-24.

This increase results from the Company's disciplined approach to conservative cost management, its capability to secure resources at competitive rates, and an increase in sales. Enhanced operational efficiency, strategic cost initiatives, introduction of new products, and favorable market conditions have collectively helped maintain healthy margins.

An increase in Profit After Tax and Total Comprehensive Income signifies a positive trajectory of financial growth and business success for the Company.

iv) Earnings Per Share

The Company reported a Basic Earnings Per Share (EPS) of Rs. 4.15 and a Diluted Earnings Per Share (DEPS) of Rs. 2.70 for the financial year 2024-25.

This increase in EPS reflects the Company's sustained commitment to delivering value to shareholders through continued growth and profitability. We remain focused on executing our strategic initiatives and capitalizing on emerging opportunities to drive further expansion of earnings per share in the future.

v) Capital to Risk Weighted Assets Ratio (CRAR)

The Company's Capital to Risk Weighted Assets Ratio (CRAR) stood at 28.03% as of March 31, 2025, compared to 30.23% as of March 31, 2024, based on the aggregate risk-weighted assets on the balance sheet.

Although marginally lower than the previous year, the Company's CRAR 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, 2025 is 23.36% as against 24.18% as on March 31, 2024.

The Tier 2 ratio as on March 31, 2025 is 4.68% as against 6.05% as on March 31, 2024.

1.2 Operational Highlights

i) Branch Expansion

During the financial year 2024-25, 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, Assam, Jharkhand, 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, Tarn Taran, Ludhiana, Ferozepur, Hoshiarpur, Delhi NCR, Abohar, Muktsar, Malout, Jaipur, Jagraon, Moga, Pathankot, Khanna, Nawanshahr, Sri Ganga Nagar, Zirakpur, Hanumangarh, Noida, Jalandhar, Varanasi, Ayodhya, Meerut, Faridkot, Lucknow, Muzaffarnagar, Bulandshahr, 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 from approximately 495 employees as of March 31, 2024, to 660 employees as of March 31, 2025, reflecting its commitment to building a capable workforce to support growth.

ii) Operational Cost

The Company has expanded its operations across various locations in Punjab and neighbouring states and successfully entered 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 overall operational costs of the Company 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, 2025	March 31, 2024
Branches	29	21
No. of Borrowers	33,094	20,712
Outstanding Loan Portfolio (Own Book) (Rs. In lakhs)	22,890.69	14,821.43
Loan Disbursed in FY (Rs. In lakhs)	21,129.59	14,044.15
Total Assets (Rs. In lakhs)	30,592.30	19,992.41

2. LENDING OPERATIONS

Disbursements

The Company experienced robust growth in its total loan portfolio, which expanded by 54.44% to reach Rs. 22,890.69 Lakhs as of March 31, 2025. 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:

	FY2022	FY2023	FY2024	FY2025
Gross NPA%	4.99	2.09	2.88	3.76
Net NPA%	4.64	1.89	2.18	2.97

Current Position (as on March 31, 2025)

Gross NPA stood at ₹860.77 lakhs, compared to ₹423.81 lakhs in the previous year. Net NPA also increased by 112.36% due to higher delinquency and provisioning requirements.

Why Did NPAs Rise?

1. *Growth of Portfolio Size:*

The loan book expanded from ₹212 crores to ₹350 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 rural distress, inflation, and post-pandemic recovery issues impacted timely repayments, especially in informal sectors.

4. Operational Shocks:

Local industry-specific disruptions and 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 current rise in NPAs appears to be transitional, arising from portfolio growth, regional onboarding frictions, and economic volatility. With continuous portfolio seasoning, operational maturity in new markets, and digital interventions, GNPA and NNPA are expected to moderate over the next 2–3 quarters.

4. SHARE CAPITAL AND DEBENTURES

4.1 Capital Structure

To strengthen the Company's capital base and balance sheet and to augment long-term resources for meeting the funding requirements of its business activities, financing future growth opportunities, and other general corporate purposes, the Company increased its Authorized Share Capital during the financial year under review.

The Authorized Share Capital was enhanced to Rs. 40,00,00,000/- (Rupees Forty Crores Only), divided into 4,00,00,000 (Four Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Authorized Share Capital of the Company as on March 31, 2025 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	12,40,13,300
1,24,01,330 Equity Shares of Rs.10/- each	
Subscribed Capital	12,38,68,300
1,23,86,830 Equity Shares of Rs. 10/- each	
Paid Up Share Capital	12,38,68,300
1,23,86,830 Equity Shares of Rs.10/- each	
Total	12,38,68,300

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 did not raise any funds through the issuance of equity shares. Below are the details of the equity share capital as on March 31, 2025:

(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, 2024	Closing Balance	1,23,86,830	10	-	12,38,68,300	12,38,68,300

Preferential Issue of Equity Warrants

During the financial year under review, the Company has received Rs. 31,01,16,670 (Rupees Thirty One Crores One Lakh Sixteen Thousand Six Hundred and Seventy Only) in respect of 1,84,60,510 (One Crore Eighty-Four Lakhs Sixty Thousand Five Hundred and Ten) Equity Warrants ("Warrants"). These warrants were originally issued at a price of Rs.25/- (Rupees Twenty-Five Only) per Warrant, granting the warrant holders the right to apply for and be allotted one (1) Equity Share of face value Rs.10/- (Rupees Ten Only) each, with a premium of Rs.15/- per share, within 18 (Eighteen) months from the date of allotment of the Warrants.

B. Private Placement Issues of Non-Convertible Debentures

Sr. No.	Series	Type of Issue	Tranches	Nominal Value	No. of Securities	Price (in Rs.)
1	Series I/2024-25	Private Placement	I	1000	2200	22,00,000
2	Series II/2024-25	Private Placement	I	100000	1500	15,00,00,000
3	Series III/2024-25	Private Placement	I	1000	3800	38,00,000
4	Series III/2024-25	Private Placement	II	1000	2400	24,00,000

During the financial year under review, the Company had allotted Secured Redeemable Non-Convertible Debentures (SRNCDs) on private placement basis as follows:

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

4.2 Banks/FIs

As of March 31, 2025, the Company's total borrowings stood at Rs. 21,178.91 Lakhs, reflecting a significant increase from Rs. 13,870.01 Lakhs in the previous financial year.

During the year under review, the Company successfully secured a term loan of Rs. 9,850 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. DIVDENED

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 the critical importance of adhering to all applicable laws, regulations, and industry standards across every facet of its operations. During the financial year under review, stringent measures were implemented to ensure full compliance with relevant legal requirements, thereby reinforcing the Company's commitment to ethical conduct and corporate governance excellence.

Registered as a non-deposit-taking Non-Banking Financial Company (NBFC) with the Reserve Bank of India (RBI), the Company has diligently complied with all guidelines and directives issued by the RBI and other applicable statutes.

As a listed entity, the Company has consistently met the disclosure obligations prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and maintained strict adherence to all other SEBI regulations relevant to its operations.

Additionally, the Company fulfilled its responsibilities under the Companies Act, 2013, by timely filing all requisite documents and information with the Registrar of Companies (ROC).

In its role as an issuer of various securities, the Company has upheld compliance with all contractual provisions and regulatory requirements stipulated by stock exchanges, debenture trustees, depositories, depository participants, and Registrar & Transfer Agent.

Looking forward, the Company remains resolutely committed to sustaining a culture of compliance and upholding the highest ethical standards. This commitment is supported by continuous

monitoring of regulatory developments, proactive risk assessments, and ongoing compliance initiatives to ensure robust adherence to all applicable laws and regulations.

Reaffirming its dedication, the Company views compliance and ethical conduct as foundational pillars of its corporate governance framework. By prioritizing these values, the Company seeks to enhance stakeholder trust, mitigate legal and reputational risks, and drive sustainable long-term value creation.

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, 2025.

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. 102.77 Lakhs, equivalent to 20% of the Total Comprehensive Income 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

In alignment with the introduction of the Risk-Based Internal Audit (RBIA) system and compliance with Reserve Bank of India (RBI) guidelines (RBI/2021-22/53 DoS.CO.PPG.SEC/03/11.01.005/2021-22), the Company has formally adopted a Risk-Based Internal Audit Policy. This policy is designed to provide the Board of Directors and Senior Management with reasonable assurance regarding the effectiveness of the Company's risk management and internal control framework.

The Internal Audit Department, under the leadership of Mr. Prabh Dayal, is entrusted with systematically evaluating and enhancing the organization's governance, risk management, and control processes. The audit program encompasses all functional areas, including branch operations and the Head Office, serving as a critical tool for internal control and assurance. It focuses on assessing the adequacy and implementation of systems and procedures related to risk identification, measurement, and mitigation.

The Company has established comprehensive internal controls, systems, and procedures across all business segments and support functions to safeguard assets from unauthorized use or disposal, and to ensure accurate and reliable authorization, recording, and reporting of transactions. Independent internal audits are conducted as per the scope and schedule approved by the Audit Committee.

The internal audit team plays a pivotal role in evaluating control measures and recommending improvements to align with evolving business needs, thereby strengthening the overall control environment. Regular process reviews and risk assessments are performed to monitor the effectiveness and efficiency of controls continuously.Through ongoing training and knowledge

enhancement, the audit team remains adept at identifying and mitigating risks, ensuring that controls effectively support the Company's strategic objectives. As a critical component of the third line of defense, the team detects risk indicators, red flags, and early warning signals to facilitate timely and agile adjustments in audit plans.The Internal Audit Department, staffed by experienced professionals, reports directly to the Audit Committee. The Committee rigorously reviews audit findings, evaluates the adequacy and effectiveness of internal controls, and ensures that the Company maintains a strong governance framework.

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 MSEI has granted its in-principle approval for the issuance of Equity Warrants convertible into equity shares, aligning with the Company's 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 accordance with the provisions of Section 92(3) of the Act, the Annual Return of the Company is hosted on website of the company at the web link **https://credif.in/**

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 CSR in accordance with the Master Directions are not applicable, However, we have voluntarily taken up maintenance of parks and other projects to provide Green and Clean city. 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 Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India (RBI) vide Notification Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 ("RBI Guidelines") and pursuant to the provisions of Section 139(8) and other applicable provisions of the Companies Act, 2013 readwith rules made thereunder 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 Committeeand 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 per RBI norms, their appointment is being ratified to hold office for the financial year 2025-26.

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, 2025. 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 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. Led by Mr. Prabh Dayal, 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 oversees 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, 2025.

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 II** 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 2024-25 does not contain any other observations, qualification or adverse remarks.

17.7 Reporting of Frauds by Auditors

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, the Statutory Auditor reported 43 instances of cash embezzlements committed by the employees of the Company, involving an aggregate outstanding amount of Rs. 12.69 Lakh. 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 CEO & 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.

We have implemented a comprehensive Business Responsibility Policy that emphasizes transparency, ethical conduct, and accountability. This policy ensures compliance with applicable laws and regulations and nurtures a culture of integrity and professionalism across the organization. Our zero-tolerance stance on bribery and corruption is enforced through rigorous policies and

procedures. Both the Business Responsibility Policy and the Code of Conduct explicitly prohibit any form of abusive, corrupt, or anti-competitive practices, solidifying our pledge to ethical business practices.

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 III.**

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties form an integral part of ensuring transparency and accountability within the Company. During the reporting period, all related party transactions were conducted in the ordinary course of business and on an arm's length basis. Consequently, no disclosure in Form AOC-2 is required. The Board-approved policy governing the materiality of related party transactions and their management is accessible on the Company's website at: https://credif.in/uploads/disclosure-under-regulation-46-sebi/related-party-transaction-policy.pdf

It is further noted that there have been no materially significant related party transactions involving Promoters, Directors, Key Managerial Personnel, or other designated individuals that could potentially conflict with the interests of the Company. Additionally, no Director has any pecuniary relationship or transactions with the Company except those disclosed in the notes to the financial statements. These measures reaffirm the Company's commitment to transparency, integrity, and adherence to ethical business practices in all dealings with related parties.

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 engaged primarily in financing activities within the country, our operations are not energy-intensive. Nevertheless, we are committed to adopting significant measures to reduce energy consumption across our facilities. The Company utilizes energy-efficient computers and electrical equipment to minimize electricity usage. Specific cost budgets have been allocated for energy conservation initiatives at the Head Office and all branch locations. These efforts are continuously monitored on a periodic basis to ensure effective management of electricity consumption and the reduction of waste.

b. **Technology Absorption**

Technology: The Core of Sustainable Growth in NBFCs

In today's dynamic and digitally driven financial ecosystem, technology is the lifeline of any Non-Banking Financial Company (NBFC). It is no longer a support function, but the very backbone of operational scalability, customer satisfaction, compliance, and survival. NBFCs that continue to rely on traditional systems and outdated workflows face increasing challenges in competing, complying, and scaling up. In contrast, institutions that embed technology at the core of their strategy are demonstrating resilience, agility, and exponential growth.

CrediFin Ltd. is a shining example of this digital-first transformation. Recognizing that the future of finance lies in digitization, the Company has invested heavily in building a robust, fully customized in-house technological infrastructure. This system is not only tailored to its diverse lending operations but is also constantly evolved by an internal team of proactive developers who respond swiftly to business and compliance needs. This internal capability ensures full control, rapid deployment, and continuity which is a distinct competitive advantage in a sector where technology failures can risk institutional survival. Importantly, this strategic investment in technology is reflected in the Company's operational successes. The high level of online collections, covering over 40,000 customers and exceeding 80% of total online collections is a direct outcome of the Company's strong digital backbone. This initiative, driven personally by the CEO and his core technology team, has not only enhanced efficiency but also minimized cash handling risk and improved turnaround times.

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. Proprietary Technology & Domain Leadership

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 Finance Platform & Scalability

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. Path to Full 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. Contactless, Digital-First Ambition

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 40,000 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, 2-wheelers) and Mortgage LAPs, reaching underserved communities.
- *FinTech-Enabled Compliance & Efficiency:* Industry-wide trends show NBFCs deploying automation, AI, and analytics for faster decisioning and stronger compliance. Credifin's tech initiatives align closely with these trends.

c. 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.

We take pride in maintaining a Board characterized by independence and diversity, with an adequate number of independent directors contributing valuable insights and perspectives. Their vigilant oversight and transparent disclosures mitigate potential conflicts of interest and enhance stakeholder confidence. Looking forward, the Board remains committed to advancing the Company's strategic vision, fostering innovation, and augmenting long-term shareholder value. As dedicated stewards of corporate governance, we uphold principles of transparency, accountability, and ethical conduct to ensure the Company's continued success and sustainability.

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.

Obituary

Mr. Yaduvendra Mathur : The Board records its deep appreciation for the invaluable contribution made by Mr. Mathur, Chairman and Independent Director of the Company and mourns the loss of a mentor, leader, and true statesman who passed away on May 4, 2024, in Chennai during cardiac surgery.

Mr. Vijay Kumar Bhandari: The Board of Directors places on record its profound appreciation for the valuable contributions, relentless commitment, and visionary leadership of Mr. Vijay Kumar Bhandari, Director who left for his heavenly abode in October 8, 2024, after bravely battling cancer in Mumbai.

The Board of Directors as on March 31, 2025 are given herein below:

DIN	Name of Directors	Designation	Brief Profile
07978240	Mr. Vijay Kumar Sareen	Whole time Executive Director	Mr. V.K. Sareen corporate strategist and advisor brings a wealth of academic and administrative experience to his role as Executive Director. With a distinguished career as the Ex-Vice-Principal and Head of the PG Department of Commerce, he has been instrumental in shaping the academic landscape for various professionals. He has been actively involved in various academic initiatives, including conducting seminars, workshops, and delivering guest lectures on diverse topics. He has co-authored books on business regulatory framework, corporate legal environment, business laws, indirect taxes, MSME, Banking services management and contributing to the discourse on Capital markets, Voluntary Corporate disclosures and corporate governance. His strategic oversight extends across all aspects of financial operations, compliance, NPA management, and HR enhancing organizational efficiency and performance. His strategic vision and leadership capabilities are driving the company towards continued growth and success.
00670384	Mr. Ashwani Kumar Jindal	Independent Director	Mr. Ashwani Kumar Jindal is an Independent Director. He is a recognized member of the Institute of Chartered Accountants of India. He has an immense knowledge and experience in Income Tax, GST and Auditing. Worked and dedicated for social cause and organize blood donation camps, Flag Hosting, Plantation and many more. He is Co-opted Member of Internal Audit Standard Board 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 the Board of Studies of ICAI for the years 2016-2019. He remained as Chairman of the 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

06597596	Ms. Aditi Kapur	Woman Independent Director	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
09179500	Mr. Meghal Gupta	Non-Executive Director	Mr. Meghal Gupta is an Engineer by profession. He has a wide experience in NBFC and finance sector and is associated with the Company from January, 2020 and rendering his services to the Company. He is also the promoter of Hamco Ispat Private Limited, a leading manufacturer and exporter of wide range of industrial tools. He has worked as an Engineer with Happy Forgings Private Limited, GNA Axles Limited and NK Industries Limited. He has played three Nationals. He is a state player of roller skating and judo. He has executed various projects at College Level, namely solar vehicle, hybrid vehicle and power generation through footsteps.
01519390	Mr. Chandan Chugh	Non-Executive Director	Mr. Chandan Chugh is a promoter and Non-Executive Director of the Company since September 20, 2000. He is graduate in Hotel Management. He is having more than 13 years of experience in the NBFC industry and having wide knowledge of all aspects of NBFC business. He also contributes in the day-to-day management of the Company and is involved in business administration and policy decisions of the Company. He is also involved actively in the social works and Educational activities undertaken by Seth Ram Chand Memorial Welfare Society (Regd.).

*10910371	Mr. Sunil Kumar Mehta	Additional Director-Independent	Mr. Sunil Kumar Mehta brings with him over 30 years of distinguished experience in the finance domain, having held key leadership roles at Coal India Limited. His multifaceted expertise spans accounts, treasury, taxation, budgeting, audit, IPO/OFS, and company secretarial functions, along with a strong involvement in marketing, pricing strategy, and renewable energy projects. He served as Chief Financial Officer (CFO) of Coal India Ltd. from January 2022 to February 2024 and as Director (Finance) at Coal India Africana Ltd., where he provided strategic oversight for international operations and financial planning. Mr. Mehta has been instrumental in driving digitization through ERP systems, implementing Ind-AS compliant OBR/Stripping activity accounting in collaboration with ICAI's Accounting Standards Board, and initiating various cost-efficiency and transparency reforms.He is a prolific contributor to the professional community, having authored: • The Finance Manual of Coal India (2023) • Technical Guide on Internal Audit for the Coal Industry (ICAI) He has also held leadership roles within ICAI, including: • Chairman, Dhanbad Branch of CIRC (2011) • Co-opted Member, ICAI Internal Audit Standards Board (2023–24) Mr. Mehta's leadership has been recognized with prestigious awards such as: • Best HOD – Coal India (2022–23) • Excellence Award – Coal India (2024) He has also been an active member of the CII CFO Committee (2022–24). Apart from his professional accomplishments, Mr. Mehta is committed to social and community causes including tree plantations, blood donation camps, CSR activities, and promotion of sports. An avid cricketer, he has been a part of Coal India's cricket team and continues to inspire professionals through his lectures at IIMs, ICAI, ICWAI, and CFO forums.

Mr. Sunil Kumar Mehta, was appointed as an Additional Director in independent capacity on the Board of the Company w.e.f. March 06, 2025.

21.2 Appointment/ Re-appointment/ Cessation of Directors

During the year 2024-25, following changes took place in the composition of Board of Directors of your Company:

i. Appointment of Directors

During the financial year 2024-25, the following Directors were appointed.

- Mr. Sunil Kumar Mehta was appointed as Additional Director in independent capacity of the Company with effect from March 6, 2025 and, thereafter, regularized as Director of the Company in the ensuing Annual General Meeting.

ii. Re-appointment of Director

During the F.Y. 2023-24, Mr. Chandan Chugh (01519390) was re-appointed as Director in the Annual General Meeting held on September 19, 2024, who was liable to retire by rotation.

iii. Cessation of Directors

- On May 04, 2024, Mr. Yaduvendra Mathur, Chairman and Independent Director, ceased to hold the office as the Chairman and Independent Director of the Company due to his sudden demise.

- On October 8, 2024, Mr. Vijay Kumar Bhandari, Nominee Director ceased to hold the office as the Nominee Director of the Company due to his sudden demise.

iv. Retire by Rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Vijay Kumar Sareen (DIN: 07978240) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment as the Director of the Company.

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 2024-25, 6 (Six) meetings of the Board of Directors were held i.e. on May 16, 2024, August 08, 2024, September 28, 2024, November 09, 2024, January 30, 2025, and March 04, 2025. 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 31,2025.

DIN/PAN	Name	Designation
07978240	Mr. Vijay Kumar Sareen	Whole Time Director
AQSPG1668A	Mr. Kumar Shalya Gupta	Chief Executive Officer (CEO)
ADGPB1123N	Mr. Kuldip Bhandari	Chief Financial Officer (CFO)
ADXPN6046R	Ms. Shikha Kapoor	Company Secretary and ComplianceOfficer

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was convened on March 26, 2025, 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 2024-25, the Company conducted 1 such programme/meeting, with Independent Directors dedicating between 1 to 2 hours. To date, a cumulative total of 7 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://credif.in/uploads/familirisation-programme.pdf

23. CODE FOR PREVENTION OF INSIDER- TRADING PRACTICES

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company Secretary serves as the Compliance Officer, responsible for formulating policies and procedures to ensure adherence to the Regulations. The Compliance Officer oversees the preservation of price-sensitive information, pre-clearance of trades, monitoring of trading activities, and implementation of the Board-approved Code of Conduct for trading in the Company's securities. The Company has established a robust Board-approved Code of Conduct to regulate, monitor, and report trading by Designated Persons. Additionally, a Code of Fair Disclosure has been adopted to maintain fair practices in line with the Regulations. All Directors, Management Team members, and other employees who may have access to unpublished price-sensitive information are governed by these Codes to uphold transparency and prevent insider trading.

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, 2025

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

ix) Committee for review for willful defaulters

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 2024-25, 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.

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

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("the Act"), the Board of Directors has approved and adopted the Nomination & Remuneration Policy, as recommended by the Nomination and Remuneration Committee. 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. During the financial year 2024-25, the Board has accepted all the recommendations of its NRC.The Company's Nomination and Remuneration Policy is available on our website at https://www.credif.in/

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

In accordance with the provisions of Section 177(9) of the Companies Act, 2013, the Company has established an effective Vigil Mechanism that enables Directors and employees to report genuine concerns in a responsible and secure manner. As part of this mechanism, the Company has implemented a Board-approved Whistle Blower Policy to address instances of fraud, mismanagement, or violations of the Company's Code of Conduct, whether actual or suspected. The Whistle Blower Policy is accessible on the Company's website at the following link: https://www.credif.in/uploads/disclosure-under-regulation-46-sebi/whistle-blower-policy.pdf

The Company periodically reviews the Whistle Blower Policy and ensures that the vigil mechanism provides adequate safeguards against victimization of persons who report concerns in good faith. No individual has been denied access to the Audit Committee, and whistleblowers are allowed direct access to the Chairperson of the Audit Committee.

Name and Address of the Whistle and Ethics Officer:

Mr. Kuldeep Bhandari, CFO
Email: 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

Risk Management is fundamental to our business, centered on achieving an optimal risk-return balance aligned with our risk appetite while maximizing returns.

The Company operates within a unique environment that exposes it to various risks. To address this, comprehensive policies and procedures have been developed to identify, assess, monitor, and manage risks across the organization.

An extensive Risk Management Policy outlines the following key elements:

a. A robust framework for identifying both internal and external risks, encompassing financial, operational, sectoral, sustainability, information technology, cybersecurity risks, and any other risks as identified by the Risk Management Committee;

b. Defined measures for risk mitigation, including systems and processes designed for the internal control of identified risks;

c. A Business Continuity Plan to ensure operational resilience in the face of disruptions.

29. HUMAN RESOURCE DEVELOPMENT

29.1 Human Resources

The Company has given a detailed note under Management Discussion and Analysis Report. The Company had 660 permanent employees on its rolls as on March 31, 2025

29.2 Particulars of Employees and Related Disclosures

The Company has not employed any individual whose remuneration falls within the limits specified under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The relevant statement in this regard is appended as Annexure-A and forms part of this report.

Additionally, the statement of disclosure of remuneration pursuant to Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure-B and forms part of this report.

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

Your Company has in place an appropriate policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The said policy is uploaded on the website of the company. The link for the policy is: https://credif.in/uploads/policies/posh-policy-final.pdf. The Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment on quarterly basis. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year 2024-25, information pertaining to Sexual Harassment was received by the Committee is under:-

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

We confirm that the Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2024-25, 1 (one) complaint pertaining to Sexual Harassment was received by the Committee.

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

Pursuant to the requirements under the Maternity Benefit Act, 1961, as amended, the Company has ensured compliance with all applicable provisions.

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

No such application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

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

The Company has not engaged in any one-time settlement agreements with banks or financial institutions during the reporting period. As a result, there is no requirement for the Company to provide disclosure regarding such settlements.

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 whichthe 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 March31, 2025. 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 31,2025.

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

In accordance with the provisions of 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 to the Investor Education and Protection Fund ("IEPF"). Accordingly, the Company has transferred all unpaid or unclaimed dividends declared up to the financial year 2014–2015 to the IEPF. As of the date of this report, no unpaid or unclaimed dividends remain outstanding for transfer to the IEPF.

The IEPF Rules also mandate that companies 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 and/or dividends have been transferred to the IEPF Authority may claim the same by following the prescribed procedure outlined in the Rules. Further, pursuant to Section 124(5) of the Companies Act, 2013, there are no amounts due and outstanding to be credited to the IEPF that have remained unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account.

33.7 Other Disclosures

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

The Company has complied with all the mandatory requirements of the Listing Regulations. Further, the Company has not adopted any non-mandatory requirements.

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://credif.in/uploads/policy-for-determination-of-materiality.pdf

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/

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. Shikha Kapoor,
Company Secretary
CREDIFIN LIMITED
Regd. & Corp. Office: 87, Radio Colony,
Jalandhar-144001, Punjab, INDIA,
Ph: +91 91151-00401;
Email: shikha@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 adhered to all applicable provisions and made requisite disclosures in accordance with the Master Directions for Non-Banking Financial Company – Non-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016, as amended. Furthermore, the Company complies with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as applicable.

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 RELATIO

38.1 Customer Service: At Credifin, we strive to cultivate a culture of 'Customer Obsession' by actively listening to our customers and continuously transforming our processes to deliver a seamless and frictionless experience throughout the loan lifecycle—from pre-disbursal to closure. We prioritize reducing loan disbursement times with minimal documentation requirements, ensuring swift and efficient service. Additionally, we have enhanced and diversified our communication and service channels to keep customers well-informed and enable prompt resolution of their queries and requests.

38.2 Fair Practice Code: The Company strictly adheres to the Fair Practices Code (FPC) issued by the Reserve Bank of India, applicable to all Non-Banking Financial Companies. The FPC encompasses key guidelines, including clear disclosures on the terms and conditions of loans and the adoption of non-coercive recovery methods.As part of the FPC, the Company has implemented a Grievance Redressal Mechanism to ensure excellent customer service and a Whistle Blower Policy/Vigil Mechanism that empowers employees to report any violations of the Company's values or Code of Conduct. During the financial year 2024–25, no violations of the Code of Conduct were reported. Additionally, the Company complies with Know Your Customer (KYC) procedures as an integral part of its risk management framework. The Fair Practices Code is available to stakeholders in both English and vernacular languages on the Company's website at: https://credif.in/uploads/policies/credifin-fair-practice-code-policy.pdf

38.3 Customer Grievance Redressal: The Company has established a well-structured Customer Grievance Redressal Mechanism, providing customers with a reliable and easily accessible platform to ensure timely and fair resolution of inquiries and complaints. The policy is designed to minimize complaints through effective service delivery and ongoing review.

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.

Grievance Redressal Officer (GRO):

The Company has appointed a Grievance Redressal Officer located at the Head Office in Jalandhar. The GRO monitors customer grievances across all levels and oversees the timely resolution of complaints through Customer Care Representatives and Help Desks. Reports on the status of customer grievances are periodically reviewed by management and the Board to facilitate informed decision-making and reduce complaint instances.Our sustained efforts in customer education have resulted in an increasing number of customers utilizing our grievance redressal channels for their queries, reflecting growing trust and engagement.

38.4 Resolution of Grievances: The Grievance Redressal Officer (GRO) appointed by the Company is accountable for ensuring the closure of all customer complaints to their satisfaction. The GRO oversees the escalation of complaints to appropriate levels promptly to facilitate timely resolution. While the Company's goal is to minimize instances where customers need to escalate complaints to senior management, a robust mechanism is maintained to efficiently handle such complaints. This includes periodic review to understand the root causes, reasons for escalation, and implementing measures to prevent recurrence.This proactive approach reinforces our commitment to enhancing customer experience and continuously improving service quality.

38.5 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, the Company has adopted a Board-approved Customer Grievance Redressal Mechanism to ensure the expeditious and effective resolution of customer grievances and queries.Furthermore, the Company's Fair Practice Code and Policy on Code of Conduct are prominently displayed in vernacular languages at all branch premises, enhancing accessibility and understanding among our rural clientele.

39. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis (MD&A) Report forms an integral part of this Annual Report. It provides detailed insights into the overall industry structure, prevailing economic developments, and the performance and state of affairs of the Company's business operations in India.The report also highlights the Company's risk management systems and other significant developments during the year under review.The complete MD&A Report is enclosed as part of this Annual Report for the stakeholders' reference.

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://credif.in/uploads/disclosure-under-regulation-46-sebi/code-of-business-conduct.pdf

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, 2025, the Company has made provisions amounting to INR 318.77 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, 2025, 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, 2025, 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, 2025, 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: April 25, 2025

Meghal Gupta
Non-Executive Director
DIN:09179500
Add: H.No 76, Green Park, Jalandhar- 144001, Punjab

Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Add: 20, 21, Surya Viahr, Near DAV College, Surya Vihar, Jalandhar-144008, Punjab, India

Annexure-A

DETAILS OF REMUNERATION

Statement under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for year ended March 31, 2025

Not Applicable as none of the persons in service for the whole year is drawing emoluments more thanRs. ₹1,02,00,000/- (Rupees One Crore Two Lakhs) per annum.

Annexure-B

DETAILS OF REMUNERATION

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 duringthe Financial Year 2024- 2025, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024- 2025 are as under:

S. No.	Name Director / KMP	Designation	Remuneration Director /KMP for the Financial Year 2024-25 (in Rs.)	Remuneration of Director/KM Pfor the Financial Year 2023-24 (in Rs.)	% increase in Remuneration in the Financial Year 2024-25	% increase in Remuneration in the Financial Year 2023-24	Ratio of Remuneration of each Director to median remuneration	Directors Sitting Fees/ Professional Fees for the Financial Year 2024-25
1.	*Yaduvendra Mathur	Chairman and Independent Director	-	-	-	-	-	-
2.	Vijay Kumar Sareen	Whole Time Director	16,07,000	12,96,000	-	35%	9.52	-
3.	**Vijay Kumar Bhandari	Nominee Director	-	-	-	-	-	29,000
4.	Ashwani Kumar Jindal	Independent Director	-	-	-	-	-	53,000
5.	Aditi Kapur	Independent Director	-	-	-	-	-	68,000
6.	Meghal Gupta	Non-Executive Director	-	-	-	-	-	12,00,000
7.	Chandan Chugh	Non-Executive Director	-	-	-	-	-	3,60,000

8.	#Sunil Kumar Mehta	Additional Director	-	-	-	-	-	-
9.	Kumar Shalya Gupta	Chief Executive Officer	82,18,000	40,68,000	102%	N.A.	-	-
10.	Kuldip Bhandari	Chief Financial Officer	10,36,000	9,73,700	6.4%	43%	-	-
11.	Shikha Kapoor	Company Secretary	5,03,177	5,01,210	0.39%	17%	-	-

** Consequent upon the sad demise, Mr. Yaduvendra Mathur ceased to be the Director of the Company w.e.f. May 04, 2024*

*** Consequent upon the sad demise, Mr. Vijay Kumar Bhandari, ceased to be the Director of the Company w.e.f. October 08, 2024*

 # Mr. Sunil Kumar Mehta was appointed as an Additional Director in independent capacity of the Company w.e.f. March 6, 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 thecompany for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 1,68,805 andratio of the remuneration of each Director to the median remuneration of the employees of the Companyfor 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 a decrease of 3.25% in the median remuneration of employees.

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

There were 660 permanent employees on the rolls of the Company as on 31st March, 2025.

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. 2024-25	F.Y. 2023-24
Increase in Salary of employees other than managerial personnel	52.62%	11.96%
Increase in Managerial Remuneration	98.82%	230.47%

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 arein line with the Remuneration Policy of the Company.

Annexure III

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 31st March, 2025, 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 31st March, 2025 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 31.03.2025

(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) Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 including Scale Based Regulations.

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: 25.04.2025

UDIN: F003314G000178225

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: 25.04.2025

Annual Secretarial Compliance Report of Credifin Limited for the financial year ended 31st March, 2025

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 year ended 31st March, 2025 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and

(b) 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 (Delisting of Equity Shares) (Amendment)Regulations, 2016; (Not Applicable as there was no reportable event during the financial year under review)

(i) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

(j) Securities and Exchange Board of India (Depository Participant) Regulations, 2018;

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

Sr. No.	Particulars	Compliance status (Yes/ No/NA)	Observation Remarks by PCS
1.	**Secretarial Standards:** 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.	**Adoption and timely updation of the Policies**: 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.	**Maintenance and disclosures on Website:** The listed entity is maintaining a functional website. Timely dissemination of the documents/information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to	YES YES YES	- - -

	the relevant document(s)/section of the website		
4.	**Disqualification of Director:** None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013	YES	-
5.	**To examine details related to Subsidiaries of listed entities:** Identification of material subsidiary companies Requirements with respect to disclosure of material as well as other subsidiaries.	NA	The company does not have any subsidiary.
6.	**Preservation of Documents:** 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.	YES	-
7.	**Performance Evaluation:** 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	YES	-
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	YES NA	- Not Any
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBJ LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	-
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	-

11.	**Actions taken by SEBI or Stock Exchange{s). if any:** 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	NO	-
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries**: 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(is) 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.	**Additional Non-compliances, if any:**	NA	Not Any

(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.

I further report that: -

In terms of **SEBI Circular No. CIR/CFD/CMD1/114/2019** dated October 18, 2019 SEBI had inter alia required the listed entity to amend the terms of appointment of its statutory auditors in terms of clauses 6(A) and 6(B) of the said circular. In this regard I report that there was an event of reappointment of statutory auditors of the listed entity during the review period and the terms of such reappointment includes the conditions mentioned in clauses 6(A) and 6(B) of the said circular.

For Harsh Goyal & Associates
Company Secretaries

Sd/-
(Harsh Kumar Goyal)
Prop.

FCS: 3314
CP No: 2802
Place: Ludhiana
Date: 25/04/2025

UDIN: F003314G000178271

Annexure I

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"), which comprise the Balance Sheet as at 31st March, 2025, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025 and its profit / (loss), total comprehensive income / (loss), 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

S. No.	Key Audit Matter	Auditor's Response
1	**Impairment of loans and advances to customers *(Note 7)*** **Net charge – INR 131.64 Lakhs for the year ended 31st March, 2025** **Provision – INR 318.77 Lakhs as at 31st March, 2025** Recognition and measurement of impairment of loans and advances involve significant management judgement. 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: • **Data inputs –** 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. • **Model estimations –** 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 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.	**Our key audit procedures included:** **Design / controls** 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. Key aspects of our controls testing involved the following: • Evaluating the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109 and our business understanding. • Understanding management's updated processes, systems and controls implemented in relation to impairment allowance process. • Testing the controls over validation, implementation, and model monitoring in line with the RBI guidance. • 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. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection ad application of probability weights.

	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 38(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.	• Testing the design and operating effectiveness of the key controls over modification of assets including identification/staging of the modified 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. • 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. Assessing disclosures - 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.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

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.

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 31st March, 2025, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2025 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 40 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 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 49 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 49 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.

v) 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.

vi) 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: New Delhi
Date: 25th April, 2025

UDIN – 25529619BMIVFI7649

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 31st March, 2025 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 31st March, 2025, overdue amount is INR **2,039.95 Lakhs** which pertains to **15,079** 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 31st March, 2025, overdue amount for more than 90 days is INR **419.88 Lakhs** which pertains to **939** 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) 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 31st March, 2025 for a period of more than six months from the date they became payable except the following:

Name of the Statute	Nature of the dues	Amount (Rs. In lakhs)	Period to which the amount relates	Due Date	Date of Payment	Remarks
GST Act	Output Tax Liability	3.36	April'24 to August'24	Multiple	Not paid yet	NA
GST Act	Interest on Output Tax Liability	0.37	April'24 to August'24	Multiple	Not paid yet	NA

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) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 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:

Nature of Borrowings	Name of Lender	Amount not paid on due date	Whether Principal or Interest	No. of days delay or unpaid	Remarks
Deposits from Director	Shiv Dayal Chugh (including HUF)	Rs. 81.55 Lakhs	Principal & Interest	1,486 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 42

instances of cash embezzlements, committed by employees of the Company, aggregating Rs. 18.42 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 (and upto the date of this report).

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, and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 as Non -Banking Financial Company vide registration No. 06.00124 dated 19th June, 2007 which is changed to B-06.00124

dated 28th August, 2024, after the company got converted from Category-A to Category-B NBFC.

b) The Company is not a Housing Finance Company as defined in the regulations made by the Reserve Bank of India. Hence, reporting under this clause of the order are not applicable.

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: New Delhi
Date: 25th April, 2025

UDIN – 25529619BMIVFI7649

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 31st March, 2025 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 31st March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Tanuj Chugh
(Partner)
M. No.: - 529619

Place: New Delhi
Date: 25th April, 2025

UDIN – 25529619BMIVFI7649

ANNEXURE II

CORPORATE GOVERNANCE REPORT
(THE REPORT ON CORPORATE GOVERNANCE FORMS PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31,2025)

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 2024-25.

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 has cultivated a culture deeply rooted in core values and professionalism, a legacy instilled by its Founders. Since its inception, the Company has consistently upheld the highest standards of corporate governance, driven by principles of fairness, ethics, and transparency.

For Credifin, corporate governance is not merely a compliance exercise but a true reflection of our ingrained values and operational ethos. Our commitment to governance standards predates regulatory mandates such as those by SEBI and the Listing Regulations, 2015. We continue this tradition firmly, embedding these principles into our everyday business practices, which serve as the foundation for value-oriented and sustainable growth.

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 and its subsidiaries 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:
    - Whistleblower 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

The Board forms the cornerstone of the Company's corporate governance framework. Committed to adhering to sound governance principles, the Board plays a pivotal role in overseeing how management serves the short- and long-term interests of shareholders and other stakeholders.

Credifin strives to maintain an effective, informed, and independent Board that balances diverse skills and experience. This approach introduces fresh perspectives while preserving continuity and institutional knowledge.

The day-to-day management of the Company's affairs is entrusted to senior management personnel, who operates under the overall supervision and control of the Board of Directors. The Board convenes regularly to discuss, review, and approve critical matters including policy formulation, goal setting, performance evaluation against targets, and control functions.

To enhance governance effectiveness, the Company has constituted various Board Committees tasked with specific responsibilities as required by applicable laws. These include the Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Independent Directors' Committee, Board Management Committee and Stakeholders Relationship Committee. These committees facilitate focused deliberation, seamless information flow, and prompt resolution of diverse matters, thereby empowering the Board's functioning.

Independent Directors have submitted disclosures confirming there are no material financial or commercial transactions with the Company that could present potential conflicts of interest.

In addition to mandatory committees, the Company has voluntarily constituted several Board-level committees and Executive Committees to address critical issues with greater focus before presenting them to the Board for consideration.

COMPOSITION

Our Company's functional directors are seasoned professionals with extensive experience in their respective domains. They provide strategic direction to management on operational matters, adoption of best systems and practices, and oversee compliance with various legal and regulatory requirements.

All Board members are distinguished individuals possessing considerable expertise across diverse fields, including banking, finance, accounting and audit, information technology, consulting, and road transport sectors. The Company benefits greatly from the varied experience and skill sets that its Directors bring to the table.

As of March 31, 2025, the Board composition conforms to the applicable listing requirements and is in full compliance with the Companies Act, 2013 ("the Act"), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board represents an optimal mix of Executive, Non-Executive, and Independent Directors.

The Board comprised six members as of March 31, 2025:

- One Executive Director
- Two Non-Executive Directors
- Three Non-Executive Independent Directors, including one Independent Woman Director

Details of composition of the Board as on March 31, 2025, number of meetings held and attended by the Directors during the year under review etc. is given herein below:

Name of Directors	Category	No of Board Meetings held	No of Board Meetings Attended	Whether Attended Last AGM	No. of Directorships held (excluding Private Companies, Foreign Companies and Section 25 Companies)	Membership in Committees of other public companies	Chairmanship in Committees of other public companies	Directorship in other listed Entity including category of directorship
*Mr. Yaduvendra Mathur (Expired on May 04, 2024)	Chairman and Independent Director	06	00	No	4	NIL	NIL	Sangam (India) Limited- Director
Mr. Vijay Kumar Sareen	Whole time Director	06	06	Yes	NIL	NIL	NIL	-
**Mr. Vijay Kumar Bhandari (Expired on October 08, 2024)	Nominee Director	06	01	No	4	3	3	i)AGI Greenpac Limited- Independent Director ii) Jayant Agro

								Organics Limited- Independent Director iii) Supershakti Metaliks Limited- Independent Director iv) Midland Microfin Ltd (debt listed entity) – Non Executive Director v. Ishedu Agro-Chem Pvt. Ltd. (Subsidiary of Jayant Agri-organics Ltd. a Listed Company)
Mr. Ashwani Kumar Jindal	Independent Director	06	06	Yes	1	NIL	NIL	Midland Microfin Limited (Debt Listed Entity) Independent Director
Ms. Aditi Kapur	Independent Director	06	06	Yes	NIL	NIL	NIL	-
Mr. Meghal Gupta	Non-Executive Director	06	06	Yes	NIL	NIL	NIL	-

Mr. Chandan Chugh	Non-Executive Director	06	06	No	NIL	NIL	NIL	-
#Mr. Sunil Kumar Mehta (Appointed on March 06, 2025)	**Additional Director**	**06**	**-**	**No**	**NIL**	**NIL**	**NIL**	-

** Mr. Yaduvendra Mathur (Chairman and Independent Director), ceased to be Director of the Company due to his sudden demise on May 04, 2024.*

*** Mr. Vijay Kumar Bhandari (Nominee Director), ceased to be Director of the Company due to his sudden demise on October 08, 2024.*

 # Mr. Sunil Kumar Mehta was appointed as an Additional Director in independent capacity on the Board of the Company w.e.f. March 06, 2025

Notes:

1. *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.*

2. *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*

3. *The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanshipsin the Company.*

4. *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).

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

Notwithstanding the number of directorships held by the Directors, their outstanding attendance record and active participation in Board and committee meetings demonstrate a strong commitment and ability to devote adequate time to their responsibilities as fiduciaries of the Company.

The Board continuously evaluates its composition to ensure an optimal mix of skills, expertise, experience, and knowledge, enabling it to effectively address the Company's governance and strategic requirements. The Directors collectively possess the necessary expertise and capabilities relevant to the Company's business and operational needs.

The following Table 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
Mr. Yaduvendra Mathur	√	√	√	√	√	√	√
Mr. Vijay Kumar Sareen	√	√	√	√	√	√	√
Mr. Vijay Kumar Bhandari	√	√	√	√	√	√	√
Mr. Ashwani Kumar Jindal	√	√	√	√	√	√	√

Ms. Aditi Kapur	√	√	√	√	√	√	√
Mr. Meghal Gupta	√	√	√	√	√	√	√
Mr. Chandan Chugh	√	√	√	√	√	√	√
Mr. Sunil Kumar Mehta	√	√	√	√	√	√	√

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)	75000	120000
2	Mr. Meghal Gupta	Non-Executive Director	120000	-
3	Ms. Aditi Kapur	Non-Executive (Independent Director)	-	11000

Board Diversity

In alignment with the Listing Regulations, 2015, the Board, through its Nomination and Remuneration Committee, has developed a comprehensive policy on Board diversity. The Board currently comprises a diverse group of members possessing broad expertise and capabilities essential to effectively meet the Company's governance and strategic objectives.

Our Directors are distinguished professionals with extensive experience across various domains including business, industry, finance, law, administration, and economics. This diverse blend of knowledge and skills significantly enhances the Board's overall performance and value.

The selection and appointment of Directors are strictly merit-based, adhering to principles of non-discrimination irrespective of race, color, religion, gender, or nationality and in accordance with the RBI Directors. The current Board composition reflects a strong commitment to these diversity objectives.

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.

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 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.

The Company Secretary plays a pivotal role in ensuring compliance with Board and Committee procedures, which are regularly reviewed. Tasked with advising the Board and assisting in the Company's affairs, the Company Secretary ensures regulatory compliance, guides Directors, facilitates meeting arrangements, and acts as a critical liaison between management and regulatory authorities on governance-related matters.

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**.

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.

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.

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.

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.

INDEPENDENT DIRECTORS

As defined under the Companies Act, 2013, an Independent Director is an individual who is not a promoter, employee, or Key Managerial Personnel of the Company or its subsidiaries. Additionally, such a person should not have any material pecuniary relationship or transactions with the Company or its subsidiaries in the two immediately preceding financial years or the current financial year, except for remuneration received as an Independent Director.

In line with the Board's skill set requirements, the Nomination and Remuneration Committee rigorously evaluates distinguished individuals with independent standing in their respective fields. These candidates are selected for their ability to contribute meaningfully to the Company's business strategy and policy decisions. The Committee assesses their qualifications, positive attributes, areas of expertise, and their directorships and committee memberships in other companies to ascertain their independence. The Board carefully considers the Committee's recommendations before finalizing appointments.

The Board affirms that the Independent Directors of the Company possess the requisite integrity, expertise, and experience necessary to fulfill the criteria set forth in the Companies Act and applicable regulations. The Board further confirms that these Independent Directors maintain independence from the Company's management.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was convened on March 26, 2025, without the presence of Non-Independent Directors and members of management. All Independent Directors were in attendance.

During the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole.
- Assessed the quality, quantity, and timeliness of information flow between the Company's management and the Board, ensuring it was sufficient for the Board to effectively discharge its duties.

The Independent Directors communicate as appropriate, suggestions, views or concerns to the Whole time Director and Chief Executive Officer upon conclusion of their Meeting(s).

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.

BOARD MEETINGS

The Board of Directors is responsible for formulating broad business and operational policies, regularly reviewing the Company's performance, and engaging with strategic issues. During the year under review, the Board convened six meetings on the following dates: May 16, 2024; August 8, 2024; September 28, 2024; November 9, 2024; January 30, 2025; and March 4, 2025.

The maximum interval between two consecutive meetings did not exceed one hundred and twenty days. The requisite quorum was present at all meetings, ensuring valid and effective decision-making.

MINUTES OF BOARD/COMMITTEE MEETINGS

The minutes of proceedings for each Board and Committee meeting are meticulously recorded. Draft minutes are circulated to all respective members within 15 days of the meeting date for their comments and/or confirmation. Any inputs received from Board or Committee members are duly incorporated.

The finalized minutes are then entered into the minutes book within 30 days from the date of the meeting, ensuring accurate and timely documentation of all discussions and decisions.

FAMILIARIZATION PROGRAMME

In compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has established a structured system to familiarize its Independent Directors with the Company, its financial products, industry dynamics, and business model.

The Company provides continuous updates to Independent Directors on ongoing events and developments, significant regulatory changes, and other relevant matters. These updates are communicated through Board and Committee meetings as well as dedicated familiarization programmes.

During the financial year 2024-25, the Company conducted one familiarization programme/meeting, with Independent Directors dedicating between 1 to 2 hours. To date, a total of six programmes/meetings have been conducted, each involving an average of 1 to 2 hours of engagement by the Independent Directors.

In accordance with Regulation 46 of the SEBI Listing Regulations, details of the Familiarization Programme are available on the Company's website at the following link: https://credif.in/uploads/familirisation-programme.pdf

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.

COMMITTEES OF DIRECTORS

❖ 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.

During the year under review, the Audit Committee convened four meetings on May 16, 2024; August 8, 2024; November 9, 2024; and January 29, 2025. The attendance record of Committee members for the financial year ended March 31, 2025, 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	04
Ms. Aditi Kapur	Member (Independent Director)	04	04
#Mr. Yaduvendra Mathur	Member (Independent Director)	04	-
*Mr. Sunil Kumar Mehta (Appointed on March 6, 2025)	Member (Independent Director)	NIL	NIL

 # Consequent upon the sad demise, Mr. Yaduvendra Mathur ceased to the Director of the Company w.e.f. May 04, 2024, and consequently, ceased to the member of the Audit Committee
**Mr. Sunil Kumar Mehta, Independent Director, was appointed as a member of the Audit Committee w.e.f. April 25, 2025*

TERMS OF REFERENCE OF AUDIT COMMITTEE:

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:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient andcredible;
- Recommend appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors, including cost auditors (if any), for anyother services rendered by them;
- Review with the management, the annual financial statements and auditor's reportthereon before submission to the Board for its approval,
- Review with the management, the quarterly financial statements before submissionto the Board for approval;
- Review and monitor the auditor's independence and performance, and effectivenessof audit

process;

- Approval or any subsequent modification of transactions with related parties of the Company;
- 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 andscope of audit as well as post audit discussion to ascertain any area of concern;
- monitoring the end use of funds raised through public offers and related matters;
- Carry out any other function as is mandated by the Board from time to time and / orenforced by any statutory notification, amendment or modification as may be applicable.

The details on the terms of reference of the Committee are placed at website www.credif.in

❖ 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.

The Nomination and Remuneration Committee met 2 (two) time viz. January 29, 2025 and March 04, 2025 during the year under review and the number of meetings attended by each member during the year ended March 31, 2025 is as follows:

Name of Member	Designation	No of Meetings	
		Held	Attended
*Ms. Aditi Kapur	Chairperson (Independent Director)	02	02
Mr. Ashwani Kumar Jindal	Member (Independent Director)	02	02
**Mr. Meghal Gupta	Member (Non-Executive Director)	02	01
#Mr. Yaduvendra Mathur	Member (Independent Director)	02	-
## Mr. Vijay Kumar Bhandari	Member (Nominee Director)	02	-

***Mr. Sunil Kumar Mehta (Appointed on March 6, 2025)	Member (Independent Director)	NIL	NIL

 # Consequent upon the sad demise, Mr. Yaduvendra Mathur ceased to the Director of the Company w.e.f. May 04,2024 and consequently, ceased to the member of the Nomination and Remuneration Committee
Consequent upon the sad demise, Mr. Vijay Kumar Bhandari ceased to the Director of the Company w.e.f. October 08, 2024 and consequently, ceased to the member of the Nomination and Remuneration Committee
** Ms. Aditi Kapur, Independent Director, was appointed as a member and Chairperson of the Nomination and Remuneration Committee w.e.f. November 09, 2024*
***Mr. Meghal Gupta, Non- Executive Director, was appointed as a member of the Nomination and Remuneration Committee w.e.f. November 09, 2024*
****Mr. Sunil Kumar Mehta, Independent Director, was appointed as a member of the Nomination and Remuneration Committee w.e.f. April 25, 2025*

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE (NRC):

The terms of reference of the NRC, inter alia includes:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees after ensuring that-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivateDirectors of the quality required to run the Company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(1A) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommends to the Board for appointment as an Independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

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

c. consider the time commitments of the candidates.

2. To identify persons who are qualified to become Directors and recommend the reappointment of Directors if they are qualified and fit to be reappointed. Also, to identify and recommend who may be appointed in Senior Management in accordance with the criteria laid down by the Committee and recommend to the Board their appointment and removal

3. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.

4. To determine whether to extend or continue the term of appointment of the Independent Director,on the basis of the report of performance evaluation of Independent Directors.

5. To devise a policy on Board diversity.

6. Recommend to the board, all remuneration, in whatever form, payable to senior management

7. Formulation of Succession policy for Managing Director and CFO, Key Managerial Personnel and Senior Management Personnel.

The details on the terms of reference of the Committee are placed at website www.credif.in

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The performance evaluation of Independent Directors is conducted based on specific criteria aligned with applicable laws, regulations, and guidelines. These parameters include:

- Commitment to the Company's vision and values.
- Active participation and meaningful contribution in Board and Committee meetings.
- Independence of judgment and ability to provide unbiased opinions.
- Clear understanding of duties, responsibilities, qualifications, disqualifications, and liabilities as an Independent Director.
- Maintaining up-to-date knowledge and information pertinent to the Company's business and industry.
- Promotion and implementation of good corporate governance practices.
- Focus on enhancing long-term shareholder value.
- Demonstrating a professional approach in all dealings.
- Offering strategic guidance and counsel to senior management.

The Nomination and Remuneration Committee, along with the Board, is responsible for overseeing and executing the performance evaluation of Independent Directors, ensuring that the process is thorough, objective, and compliant.

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.

Non-Executive Directors receive sitting fees for attendance at each meeting of the Board and its Committees, excluding the Committee of Directors.

The sitting fee payable to Non-executive Directors of the Company for attending the meetings of the Board and various Committees are as under: Board Rs.5,000/- for each meeting Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Information Technology Strategy Committee, Stakeholders Relationship Committee Rs.3000/- for each meeting.

Board	**Rs. 5000/- for each Meeting**
Audit Committee	Rs. 3000/- for each Meeting
Nomination & Remuneration Committee	
Risk Management Committee	
Information Technology Strategy Committee	
Stakeholders Relationship Committee	
Separate Meeting of Independent Directors	

THE DETAILS OF SITTING FEES/REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR 2024-25 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. Yaduvendra Mathur	Chairman and Independent Director	-	-	-	-
2.	Mr. Vijay Kumar Sareen	Whole Time Director	17,51,000	-	-	17,51,000

3.	Mr. Vijay Kumar Bhandari	Nominee Director	-	-	11,000	11,000
4.	Mr. Ashwani Kumar Jindal	Independent Director	-	-	66,000	66,000
5.	Ms. Aditi Kapur	Independent Director	-	-	55,000	55,000
6.	Mr. Meghal Gupta	Non-Executive Director	-	12,00,000	-	12,00,000
7.	Mr. Chandan Chugh	Non-Executive Director	-	3,60,000	-	3,60,000
8.	Mr. Sunil Kumar Mehta	Additional Director	-	-	-	-

❖ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee

i) approves and monitors transfers, transmission, splits and consolidation of securities of the Company,
ii) reviews and resolves the grievances of security holders / depositors / debenture holders of the Company including complaints related to transfer/transmission of shares, Non-receipt of annual report, Non-receipt of declared dividends, Non-receipt of interest on deposits/debentures, issue of new/duplicate certificates, general meetings etc., and
iii) reviews the compliances with various statutory and regulatory requirements.

The Committee/Stakeholders Relationship Committee met 2 (Two) time viz. May 23, 2024 and January 21, 2025 during the year under review and the number of meetings attended by each member during the year ended March 31, 2025 is as follows:

The Stakeholders' Relationship Committee comprises as follows:

Name of Member	Designation	No of Meetings	
		Held	Attended
Mr. Ashwani Kumar Jindal	Chairman (Independent Director)	02	02
Mr. Kumar Shalya Gupta	Member (Chief Executive Officer)	02	02
Mr. Vijay Kumar Sareen	Member (Whole Time Director)	02	02
Mr. Meghal Gupta	Member (Non-Executive Director)	02	02
Mr. Chandan Chugh	Member (Director)	02	02

TERMS OF REFERENCE OF STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The terms of reference of the Stakeholders Relationship Committee, inter alia includes:

The terms of reference of the Stakeholders Relationship Committee as approved by the Board of Directors includes the following:

- Oversee and review all matters connected with transfer of Company's securities;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Consider, resolve and monitor various aspects of interest of shareholders, debenture holders and other security holders including the redressal of investors' / shareholders' / security holders' grievances related to transfer / transmission of securities, non-receipt ofannual reports, non-receipt of declared dividend, issue new / duplicate certificates, generalmeetings and so on.
- Review measures taken for effective exercise of voting rights by shareholders;
- Review adherence to the service standards adopted by the Company in respect of variousservices being rendered by the Registrar & Share Transfer Agent and recommend methodsto upgrade the service standards adopted by the Company;
- To look into matters that can facilitate better security-holder's services and relations;
- Review of various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The details on the terms of reference of the Committee are placed at website www.credif.in

Ms. Shikha Kapoor, Company Secretary and Compliance Officer acts as a Secretary to the Stakeholders Relationship Committee. Mr. Vijay Sharma is the contact person for the Stakeholders' grievances.

The Committee meets as and when required to deal with the matters relating to monitoring and redressal of complaints from Shareholders relating to transfer, non -receipt of Annual Report, etc. The Committee is also empowered to consider and approve the physical transfers, transmissions, transposition, issue of duplicate certificates, consolidation/ split/ renewal of share certificates etc. No investor complaint was received during the year. None was pending unresolved as on 31st March 2025.

THE COMPLAINT STATUS DURING PREVIOUS YEAR WAS AS FOLLOWS:

At the beginning of the year	Received during the year	Resolved during the year	Pending
NIL	NIL	NIL	NIL

❖ 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 placeto 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 byconsidering 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.

The details on the terms of reference of the Committee are placed at website www.credif.in

During the year under review, the Committee met 4 (Four) time on May 23, 2024, July 25, 2024, October 28, 2024 and January 24, 2025. 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 Bhandari	Member (Nominee Director)	04	01
Mr. Vijay Kumar Sareen	Member (Whole Time Director)	04	04
*Ms. Aditi Kapur	Member (Independent Director)	04	01
Mr. Kumar Shalya Gupta	Member (Chief Executive Officer)	04	04

 # Consequent upon the sad demise, Mr. Vijay Kumar Bhandari ceased to the Director of the Company w.e.f. October 08, 2024 and consequently, ceased to the member of the Risk Management Committee
** Ms. Aditi Kapur, Independent Director, was appointed as a member of the Risk Management Committee w.e.f. November 09, 2024*

❖ 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 23, 2024, July 25, 2024, October 28, 2024 and January 24, 2025 during the year under review and the number of meetings attended by each member during the year ended March 31, 2025 is as follows:

Name of Member	Designation	No of Meetings held	No of Meetings attended
Mr. Vijay KumarSareen	Chairman (Whole time Director)	04	04
Mr. Kumar Shalya Gupta	Member (Chief Executive Officer)	04	04
Mr. Kuldip Bhandari	Member (Chief Financial Officer)	04	04
Ms. Priya Goyal	Member, Senior Manager (Finance)	04	04
Mr. Parminder Singh	Member (Zonal Head Sales)	04	04

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	Chief Executive Officer
Mr. Tarandeep Singh	Chief Technology Officer
Ms. Shikha Kapoor	Company Secretary

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
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
2022-23	September 23, 2022	11:30 AM	Video Conferencing/ Other Audio-Visual Means	2

DETAILS OF SPECIAL RESOLUTIONS PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

1) 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

2) 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

3) During Financial Year 2022-23:

1. To appoint Mr. Yaduvendra Mathur (DIN: 00307650) as a Non-Executive Independent Director of the Company
2. To revise the remuneration payable to Mr. Vijay Kumar Sareen (DIN: 07978240), Whole-time Director of the Company

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
2024-25	-	-	-	-
2023-24	March 21, 2024	03:00 P.M.	Video Conferencing/ Other Audio-Visual Means	2
2022-23	March 16, 2023	11:00 AM	Video Conferencing/ Other Audio-Visual Means	2

1) During Financial Year 2024-25:

During the financial year 2024-25, the Company has not conducted any Extraordinary General Meeting (EGM).

2) <u>During Financial Year 2023-24:</u>

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

<u>3) During Financial Year 2022-23:</u>

1. To consider and approve the Increase in Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company
2. To consider and approve further issue of equity shares on preferential basis

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

None of the business proposed to be transacted in the ensuing Annual General Meeting require a special resolution through Postal Ballot.

MEANS OF COMMUNICATION

The Company maintains an active and transparent dialogue with its shareholders, debenture holders, and investors through multiple communication channels. These include the announcement of financial results, publication of the Annual Report, media releases, and timely dissemination of information on the Company's website and Stock Exchange platforms.

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.

a)	**Results**	**The Company publishes limited reviewed un-audited standalone financial results on a quarterlybasis.**
b)	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:www.credif.in
d)	Whether it also displays official news releases	N.A.
e)	Presentations made to institutional investors orto the analysis	N.A.

GENERAL SHAREHOLDERS' INFORMATION:

S. No.	Particulars	As on March 31, 2025
a)	Annual General Meeting: Date,Time and Venue	September 19, 2025 at 11:30 A.M. Venue: The Company will conduct the meeting through VC / OAVM, relevant details of which has been provided in the notice of AGM. 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 33rd AGM of the Company is being held through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The deemed venue for the 32nd AGM was the Registered Office of the Company
b)	Financial Year	The financial year covers the period from 1st April 2024 to 31st March,2025
c)	Dividend payment date	There will be no dividend payable by the Company during the FinancialYear 2024-25 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 listedand a confirmation about payment of annual listing fee to each of such stock exchange(s)	Metropolitan Stock Exchange of India Limited (MSEI) Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.SRoad, Kurla West, Mumbai-400070 The Company has paid the Annual Listing Fees to the exchange within thestipulated time.
e)	Stock Code	
	Metropolitan Stock Exchange of India Limited (MSEI)	Symbol: CRED
	Demat ISIN	INE405N01016
f)	Market price data- high, low during each month in last financial year	The Shares of the Company are infrequently traded.
g)	Performance in comparison to broad-based indices such as BSESensex, CRISIL Index	N.A.
h)	In case the securities are suspended from trading, the directors report shall explain the reason thereof;	N.A.
i)	Registrars and Share Transfer Agents and address for correspondence	Skyline Financial Services Private LimitedD-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
j)	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.
k)	Distribution of Shareholding	As per Table 1 and Table 2 below

l)	Dematerialization of shares and liquidity	As on March 31, 2025, 1,21,86,330 (98.38%) 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).
m)	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 neither issued nor allotted any new warrants. However, the Company had received a sum of Rs. 31,01,16,670 (Rupees Thirty One Crores One Lakh Sixteen Thousand Six Hundred and Seventy Only) in respect of 1,84,60,510 (One Crore Eighty-Four Lakhs Sixty Thousand Five Hundred and Ten) Equity Warrants ("Warrants") issued during the year 2023-24. These warrants were originally issued at a price of Rs. 25/- (Rupees Twenty-Five Only) per Warrant, granting the warrant holders the right to apply for and be allotted one Equity Share of face value Rs. 10/- (Rupees Ten Only) each, with a premium of Rs. 15/- per share, within 18 (Eighteen) months from the date of allotment of the Warrants.
		As on March 31, 2025, the outstanding equity warrants amounts to Rs. 14,76,84,080/-.
n)	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.
o)	Plant Locations	In view of the nature of business activities carried on by the Company, the Company does not have any manufacturing plant.

p)	Address for Correspondence	For any assistance regarding share transfers, transmissions, change of address, non- receipt of dividend or any other query relating to shares, please write to: Ms. Shikha Kapoor, Company Secretary, CREDIFIN LIMITED Regd. & Corp. Office: 87, Radio Colony, Jalandhar-144001, Punjab, INDIA, Ph: 91151-00401; Email: shikha@credif.in
q)	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	During the year under review, CRISIL assigned BBB-/Stable rating for the company's bank loan facilities of Rs. 50 Crore.

Table 1: Distribution of Shareholding by size as on 31st March, 2025

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	199	54.67	593000.00	0.48
5001 To 10,000	62	17.03	579500.00	0.47
10001 To 20,000	21	5.77	285500.00	0.23
20001 To 30,000	2	0.55	52000.00	0.04
30001 To 40,000	2	0.55	75500.00	0.06
40001 To 50,000	5	1.37	243000.00	0.20
50001 To 1,00,000	9	2.47	821000.00	0.66
1,00,000 and Above	64	17.58	121218800.00	97.86
Total	**364**	**100.00**	**123868300.00**	**100.00**

Table 2: Category wise distribution of Equity shareholding as at March 31, 2025:

	Category	**Number of Shares Held**	**Percentage of Shareholding (%)**
(A)	**Shareholding of Promoter and Promoter Group**		
(1)	Indian	504980	4.08
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
	Sub-Total (A)(1)	**504980**	**4.08**
(2)	**Foreign**		
a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0
b)	Bodies Corporate	0	0
c)	Institutions	0	0
d)	Any Other(specify)	0	0
	Sub-Total (A)(2)	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**504980**	**4.08**
(B)	**Public shareholding**		
(1)	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
(2)	Non-institutions		
a)	Directors and their Relatives	587800	4.75
b)	Key Managerial Personnel	358500	2.89
c)	Investor Education and Protection Fund (IEPF)	12070	0.10
d)	Bodies Corporate	5306450	42.84
e)	Individuals -	0	0
	i) Individual shareholders holding nominal share capital upto Rs.2 lakh.	368200	2.97
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	4868560	39.30
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	380270	3.07
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
	TOTAL(A)+(B)	0	0
(C)	**Other than promoters**		
(D)	**Shares held by Custodians and against which DepositoryReceipts have been issued**	0	0
	GRAND TOTAL(A)+(B)+(C)	**12386830**	**100**

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 up to the financial year 2014-15 to the IEPF. As of date, there are no unpaid or unclaimed dividends outstanding for transfer 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.

Pursuant to Section 124(5) of the Companies Act, 2013, the Company complies with the mandatory transfer of unpaid/unclaimed dividends and corresponding shares to the IEPF Authority when the period of seven years lapses.

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. Disclosures on transactions with related

parties, as required under the Indian Accounting Standards, have been incorporated in the Notes to the Accounts.

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.

d) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance. Further, the Company has not adopted any non-mandatory requirements.

e) 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 Materiality and the same is uploaded on the Company's website at the web link: https://credif.in/uploads/policy-for-determination-of-materiality.pdf

f) WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

The Policy on dealing with related party transactions can be accessed at https://credif.in/uploads/disclosure-under-regulation-46-sebi/related-party-transaction-policy.pdf

DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

Not Applicable

g) 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 had received a sum of Rs. 31,01,16,670/- (Rupees Thirty One Crores One Lakh Sixteen Thousand Six Hundred and Seventy Only) in respect of 1,84,60,510 (One Crore Eighty-Four Lakhs Sixty Thousand Five Hundred and Ten) Equity Warrants ("Warrants") issued during 2024-25.

These warrants were originally issued at a price of Rs. 25/- (Rupees Twenty-Five Only) per Warrant, granting the warrant holders the right to apply for and be allotted one Equity Share of face value Rs.10/- (Rupees Ten Only) each, with a premium of Rs.15/- per share, within 18 (Eighteen) months from the date of allotment of the Warrants.

h) 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

Pursuant to Schedule V Para C clause (10)(i) of the Listing Regulations, the Company has obtained certificate from Harsh Goyal & Associates, Practicing Company Secretaries confirming 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 is annexed to this report.

i) 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

In the financial year 2024 – 2025, the Board has accepted all recommendations of its committees.

j) TOTAL FEES PAID BY THE COMPANY TO THE STATUTORY AUDITOR OF THE COMPANY

The Company has paid the fees of Rs. 7,00,000/- (Rupees Seven Lakhs Only) on a consolidated basis for all services rendered by statutory auditor.

k) 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://credif.in/uploads/policies/posh-policy-final.pdf

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: 1
(b) Number of complaints disposed of during the financial year under review: 1
(c) Number of complaints pending as on end of the financial year: NIL

l) 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.

m) 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.

n) 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.

o) COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Corporate Governance provisions became applicable to the Company effective from March 31, 2024. The Company has since then complied with all mandatory requirements of Listing Regulations (as amended upto date).

p) 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 I**.

q) 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 II.**

Annexure I

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, 2025.

For Credifin Limited

Sd/-
Kumar Shalya Gupta
Chief Executive Officer

Annexure II

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:

Sr. No.	Director Identification Number	Name of Director
1.	09179500	Meghal Gupta
2.	00670384	Ashwani Kumar Jindal
3.	07978240	Vijay Kumar Sareen
4.	01519390	Chandan Chugh
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

(Harsh Kumar Goyal)
Prop.

FCS: 3314
CP: 2802

Date: 25/04/2025

UDIN: F003314G000276081

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, 2025 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, 2025 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: 25-04-2025
Place: Ludhiana
UDIN: F003314G000178236

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Balance Sheet as at 31st March, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	4,606.86	2,635.87
(b) Bank Balance other than cash and cash equivalent	4	115.75	110.20
(c) Loans	5	22,571.92	14,634.30
(d) Investments	6	564.65	633.74
(e) Other Financial Assets	7	1,662.94	1,181.41
(2) Non- Financial Assets			
(a) Current tax assets (Net)	8	40.05	-
(b) Deferred tax assets (Net)	9	-	20.91
(c) Property, Plant and Equipment	10	344.50	275.23
(d) Capital work-in-progress	10(a)	14.85	-
(e) Other Intangible Assets	10(b)	176.49	196.46
(f) Right of Use assets	11	429.85	266.49
(g) Other non-financial assets	12	64.46	37.80
Total Assets		**30,592.30**	**19,992.41**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(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		1,074.81	427.97
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		3.60	1.35
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		7.71	34.42
(b) Debt Securities	14	4,088.94	2,609.26
(c) Borrowings (Other than Debt Securities)	15	12,731.46	7,054.30
(d) Subordinated Liabilites	16	945.27	783.23
(e) Deposits	17	3,413.24	3,423.22
(f) Lease Liabilities		477.94	301.27
(g) Other financial liabilities	18	944.40	527.64
(2) Non- Financial Liabilities			
(a) Provisions	19	7.71	4.37
(b) Deferred tax liablities (Net)	9	84.18	-
(c) Other non-financial liabilities	20	97.59	60.21
(3) EQUITY			
(a) Equity Share capital	21	1,238.68	1,238.68
(b) Other Equity	22	5,476.78	3,526.50
Total Liabilites and Equity		**30,592.30**	**19,992.41**
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

Sd/-
Tanuj Chugh
Partner
Membership No: 529619
Place: New Delhi
Date: April 25, 2025

For and on behalf of the Board of Directors of
Credifin Limited (Formerly known as PHF Leasing Limited)
CIN: L65110PB1992PLC012488

Sd/-
Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Place: Gurugram
Date: April 25, 2025

Sd/-
Meghal Gupta
Director
DIN:09179500
Place: Jalandhar
Date: April 25, 2025

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kuldip Bhandari
Chief Finance officer
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kumar Shalya Gupta
Chief Executive Officer
Place: Jalandhar
Date: April 25, 2025

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

Particulars		Note No.	As at March 31, 2025	As at March 31, 2024
	Revenue from Operations	**23**		
(i)	Interest Income		5,290.57	3,263.04
(ii)	Dividend Income		-	0.12
(iii)	Gain on derecognition of financial assets		877.12	201.10
(I)	**Total Revenue from Operations**		**6,167.70**	**3,464.27**
(II)	Other Income	24	170.17	2.43
(III)	**Total Income**		**6,337.87**	**3,466.70**
	Expenses			
(i)	Finance Costs	25	2,551.30	1,508.02
(ii)	Impairment on financial instruments	26	380.05	316.22
(iii)	Employee Benefits Expenses	27	2,032.97	709.09
(iv)	Depreciation, amortization and impairment	28	130.40	71.88
(v)	Others expenses	29	632.97	517.62
(IV)	**Total Expenses**		**5,727.69**	**3,122.83**
(V)	Profit/ (Loss) before exceptional and extraordinary items and tax		610.18	343.87
(VI)	Exceptional items		-	-
(VII)	Profit/ (Loss) before tax		610.18	343.87
(VIII)	Tax Expense:			
	(1) Current Tax	8	-	11.45
	(2) Deferred Tax credit/(Charge)	9	108.54	(58.24)
	(3) Earlier year tax adjusments		(12.21)	1.84
(IX)	**Profit/ (Loss) for the period**		**513.85**	**388.82**
(X)	**Other Comprehensive Income**			
	(A) (i) Items that will not be reclassified to profit or loss			
	Net gain/(loss) on equity instrument designated at FVTOCI. (Shares in Capital Small Finance Bank)		(9.14)	(12.14)
	Income tax relating to items that will not be reclassified to profit or loss		2.06	2.52
			(7.08)	**(9.61)**
	(B) (i) Items that will be reclassified to profit or loss			
	Re-measurement losses on defined benefit plans		(5.52)	0.81
	Income tax relating to items that will be reclassified to profit or loss		1.39	-
			(4.13)	**0.81**
	Total Other Comprehensive Income		**(11.21)**	**(8.80)**
(XI)	**Total Comprehensive Income / (Loss) for the period(Comprising Profit (Loss) and other Comprehensive Income for the period)**		**502.63**	**380.02**
(XII)	**Earnings per equity share**	30		
	Basic (Rs.)		4.15	3.14
	Diluted (Rs.)		2.70	3.13
	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

Sd/-
Tanuj Chugh
Partner
Membership No: 529619
Place: New Delhi
Date: April 25, 2025

For and on behalf of the Board of Directors of
Credifin Limited (Formerly known as PHF Leasing Limited)
CIN: L65110PB1992PLC012488

Sd/-
Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Place: Gurugram
Date: April 25, 2025

Sd/-
Meghal Gupta
Director
DIN:09179500
Place: Jalandhar
Date: April 25, 2025

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kuldip Bhandari
Chief Finance officer
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kumar Shalya Gupta
Chief Executive Officer
Place: Jalandhar
Date: April 25, 2025

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Statement of changes in equity for the year ended March 31, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

(A) Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of [Rs.10] each subscribed and fully paid				
Opening	12,386,830	1,238.68	12,386,830	1,238.68
Add: issued & subscribed during the year	-	-	-	-
Closing	**12,386,830**	**1,238.68**	**12,386,830**	**1,238.68**

(B) Other equity

April 1, 2024 to March 31, 2025

Particulars	Reserve and surplus						Items of OCI	Money received against Share Warrants	Total
	General Reserve	Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	Other Reserves (shares forefeited)	Other Reserves (investment reserve)	Retained Earnings	Securities Premium	FVTOCI Reserve		
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)	-	-	-	**-**
Total other comprehensive income for the year	**-**	**102.77**	**-**	**-**	**411.08**	**-**	**(11.21)**	**-**	**502.63**
Addition during the year	-	-	-	-	-	-	-	1,447.64	**1,447.64**
Less: Expenses during the year	-	-	-	-	-	-	-	-	**-**
Balance at the end of the reporting period	**29.38**	**336.80**	**-**	**-**	**907.14**	**1,068.76**	**25.60**	**3,109.09**	**5,476.78**

April 1, 2023 to March 31, 2024

Particulars	Reserve and surplus						Items of OCI	Money received against Share Warrants	Total
	General Reserve	Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	Other Reserves (shares forefeited)	Other Reserves (investment reserve)	Retained Earnings	Share Premium	FVTOCI Reserve		
Balance at the beginning of the reporting period	29.38	156.26	-	-	185.01	1,068.76	45.62	-	**1,485.04**
Profit/Loss for the year					388.82	-	-	-	**388.82**
Other comprehensive income	-	-	-	-	-	-	(8.80)	-	**(8.80)**
Transfer to Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	-	77.76	-	-	(77.76)	-	-	-	**-**
Total other comprehensive income for the year	**-**	**77.76**	**-**	**-**	**311.05**	**-**	**(8.80)**	**-**	**380.02**
Addition during the year								1,661.45	**1,661.45**
Less: Expenses during the year								-	**-**
Balance at the end of the reporting period	**29.38**	**234.03**	**-**	**-**	**496.06**	**1,068.76**	**36.82**	**1,661.45**	**3,526.50**

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

Sd/-
Tanuj Chugh
Partner
Membership No: 529619
Place: New Delhi
Date: April 25, 2025

For and on behalf of the Board of Directors of
Credifin Limited (Formerly known as PHF Leasing Limited)
CIN: L65110PB1992PLC012488

Sd/-
Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Place: Gurugram
Date: April 25, 2025

Sd/-
Meghal Gupta
Director
DIN:09179500
Place: Jalandhar
Date: April 25, 2025

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kuldip Bhandari
Chief Finance officer
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kumar Shalya Gupta
Chief Executive Officer
Place: Jalandhar
Date: April 25, 2025

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Statement of cash flows for the year ended 31st March, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Profit/(Loss) before tax	610.18	343.87
Adjustments for:		
Depreciation and amortization expenses	130.40	71.88
Impairment on financial instruments	380.05	316.22
Finance cost	2,551.30	1,508.02
Dividend income	-	(0.12)
Loss/(Gain) on Lease Modification	(1.49)	-
Interest income	(5,290.57)	(3,263.16)
Gain on derecognition of Financial Assets	(877.12)	(201.10)
	(2,497.26)	**(1224.40)**
Operating Loss before working capital changes and adjustments for interest received, interest paid and dividend received		
Changes in working capital		
Increase/(Decrease) in trade payables	684.22	317.13
Increase/(Decrease) in other payables and provisions	(19.77)	5.33
Increase in other financial liabilities	416.77	(15.76)
Increase in loans	(8,385.30)	(6,897.97)
Increase in other non-financial assets	(32.19)	(31.03)
(Increase)/ Decrease in other financial assets	25.38	(327.11)
Cash used in operations before adjustments for interest received, interest paid and dividend received	**(9,808.15)**	**(8,173.81)**
Interest paid	(2,404.07)	(1,508.02)
Interest received	5721.77	3,263.04
Dividend received	-	0.12
Cash used in operations	**(6,490.44)**	**(6,418.67)**
Income tax paid	(29.19)	1.28
Net cash flows (used in)/ from operating activities (A)	**(6,519.63)**	**(6,417.39)**
Extraordinary Item	**-**	**-**
Net cash flows (used in)/ from operating activities (A)	**(6,519.63)**	**(6,417.39)**
Cash flow from Investing activities		
Payment for property, plant and equipment	(123.12)	(265.36)
Purchase of Investments	62.72	8.87
Net cash flow used in investing activities (B)	**(60.41)**	**(256.49)**
Cash flow from Financing activities		
Proceeds from Issue of Share Warrants	1,447.64	1,661.45
Proceeds/(repayment) from issue of debt securities	1,460.16	930.73
Proceeds/(repayment) from Borrowings other than debt securities issued	5,550.12	3,184.29
Proceeds from Subordinated Liabilites	161.37	108.22
Proceeds from issue of deposits	(9.99)	1,310.35
Payment of lease liabilities	(52.74)	(26.56)
Net cash flow from financing activities (C)	**8,556.57**	**7,168.48**
Net increase in cash and cash equivalents (A+B+C)	1,976.53	494.60
Cash and cash equivalents at the beginning of the year	2,746.07	2,251.34
Cash and cash equivalents at the end of the year	**4,722.61**	**2,745.95**
Cash and cash equivalents comprise (Refer note 3)		
Cash on hand	16.74	83.11
Balances with banks	3,458.88	2,232.27
Deposits with original maturity of less than three months	1,131.24	320.49
Bank Balance other than cash and cash equivalent	115.75	110.20
Total cash and bank balances at end of the year	**4,722.61**	**2,746.07**

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Statement of cash flows for the year ended 31st March, 2025
(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 ouflows
3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

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)
Closing balance as at March 31, 2025	**4,088.94**	**12,731.46**	**3,413.24**	**477.94**

For the year ended March 31, 2024

Particulars	Debt securities	Borrowings (other than debt securities)	Deposits	Lease liabilities
Opening balance as at April 1, 2023	1,678.53	3,870.01	2,112.87	253.20
Cash flows during the year	930.73	3,184.29	1,310.35	(26.56)
Non-cash changes due to				
- Acquisitions under finance lease	-	-	-	74.63
- Interest on debt securities/ Borrowings/ deposits / lease liabilities	-	-	-	-
Closing balance as at March 31, 2024	**2,609.26**	**7,054.30**	**3,423.22**	**301.27**

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

Sd/-
Tanuj Chugh
Partner
Membership No: 529619
Place: New Delhi
Date: April 25, 2025

For and on behalf of the Board of Directors of
Credifin Limited (Formerly known as PHF Leasing Limited)
CIN: L65110PB1992PLC012488

Sd/-
Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Place: Gurugram
Date: April 25, 2025

Sd/-
Meghal Gupta
Director
DIN:09179500
Place: Jalandhar
Date: April 25, 2025

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kuldip Bhandari
Chief Finance officer
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kumar Shalya Gupta
Chief Executive Officer
Place: Jalandhar
Date: April 25, 2025

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, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

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 the year 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 in Jalandhar, Batala, Amritsar, Ludhiana, Ferozpur, Hoshiarpur, Tarn Taran, Abohar, Malout, Faridkot, Zirakpur, Moga, Jagraon, Muktsar, Pathankot, Delhi, Jaipur, Hanumangarh, Khanna, Nawanshehr, Sri Ganganagar, Noida, Varanasi, Ayodhya, Muzaffarnagar, Lucknow, Meerut, Bulandshehr. 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, 2025 were approved for issue in accordance with the resolution of the Board of Directors on April 25, 2025.

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 the following material items that have been measured at fair value as required by relevant Ind AS:-
i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(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 2.15 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-current 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:

Property, plant and equipment	
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 sofware 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:

a) 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

b) 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:

a) 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

b) 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 de-recognition 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 has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019 (transition date). Consequently, the Company recorded 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 application.

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 tem 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
Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

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 re-assessed 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.

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 anexpense 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.

Estimates and assumptions

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.

(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.

Judgements

(a) 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 Companys 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

(b) 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.

(c) 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.

(d) 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.

The underlying loans in respect of which collaterals have been repossessed and not sold for more than 12 months are considered as Stage 3 assets and fully provided for net of estimated realizable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Company also does not derecognise the underlying financial asset immediately on repossession.

(e) 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

3 Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash in hand	16.74	83.11
Balances with banks	3,458.88	2,232.27
Deposits with original maturity of less than three months	1,131.24	320.49
	4,606.86	**2,635.87**

4 Bank Balance other than cash and cash equivalent

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposits (with original maturity more than twelve months)	115.75	110.20
Total other bank balances	**115.75**	**110.20**

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 March 31, 2025	As at March 31, 2024
(A) (i) Term loans	4.42	58.06
(ii) Others		
(a) Hypothecation loans	17,754.82	9,944.18
(b) Repossessed Vehicles	923.82	282.32
(c) Loan against Property	3,210.28	3,749.36
(d) MSME Loan	454.43	482.33
(e) Direct Assignment	542.92	305.18
Total (A) -Gross	**22,890.69**	**14,821.43**
Less:Impairment loss allowance	(318.77)	(187.14)
Total (A) - Net	**22,571.92**	**14,634.30**
(B) (i) Secured by tangible assets	22,890.69	14,821.43
(ii) Unsecured	-	-
Total (B)-Gross	**22,890.69**	**14,821.43**
Less: Impairment loss allowance	(318.77)	(187.14)
Total (B)-Net	**22,571.92**	**14,634.30**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others		
Retail Loans	22,886.27	14,763.37
Corporate Loans	4.42	58.06
Total (C)- Gross	**22,890.69**	**14,821.43**
Less: Impairment loss allowance	(318.77)	(187.14)
Total(C) (I)-Net	**22,571.92**	**14,634.30**
(C) (II) Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C) (II)- Net	-	-
Total C(I) and C(II)	**22,571.92**	**14,634.30**

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6 Investments

Particulars	As at March 31, 2025			As at March 31, 2024		
	Amortised cost	At Fair value through Other Comprehensive Income	Total	Amortised cost	At Fair value through Other Comprehensive Income	Total
Government securities	18.32	-	**18.32**	18.32	-	18.32
Equity instruments	-	26.62	**26.62**	-	35.76	35.76
Investment in Best Capital NCDs	5.83	-	**5.83**	5.00	-	5.00
Investment on Securities Receipts with ARC 2022-23	341.01	-	**341.01**	367.52	-	367.52
Investment on Securities Receipts with ARC 2023-24	250.14	-	**250.14**	276.41	-	276.41
Fixed Deposit with other NBFC	-	-	**-**	8.00	-	8.00
Total - Gross	**615.31**	**26.62**	**641.92**	**675.25**	**35.76**	**711.01**
(i) Investments outside India	-	-	**-**	-	-	**-**
(ii) Investments in India	615.31	26.62	**641.92**	675.25	35.76	**711.01**
Total - Gross	**615.31**	**26.62**	**641.92**	**675.25**	**35.76**	**711.01**
Less: Allowance for Impairment loss/ Provision of Depreciation on investments	77.27	**-**	**77.27**	77.27	**-**	**77.27**
Total - Net	**538.03**	**26.62**	**564.65**	**597.98**	**35.76**	**633.74**

Foot Notes

i. Details of investments

Particulars	Face Value (in Rs.)	Number of units		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(A) Investments in Government or Trust securities - at cost					
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) Investment in Equity instruments - at FVTOCI					
(Capital Small Finance Bank Ltd.)					
10,237 equity shares of Rs 259.50 each	10	10,237	10,237	26.57	35.71
(Citizen Urban Co-Operative Bank Ltd.)					
500 equity shares of Rs 10/- each	10	500	500	0.05	0.05
		28,537	**28,537**	**44.94**	**54.08**

7 Other financial assets	As at March 31, 2025	As at March 31, 2024
Advances to Vehicle dealers	839.68	868.77
Interest accrued on MPSEB Bonds	33.37	5.35
Security Deposits	25.11	16.48
Interest strip asset on assignment	666.89	156.11
Other financial assets	97.88	134.70
	1,662.94	**1,181.41**

8 Current tax assets	As at March 31, 2025	As at March 31, 2024
Advance income tax [net of provision]	40.05	-
	40.05	**-**

9 Deferred tax assets (Net)	As at March 31, 2025	Charge/(Benefit) during the year	As at March 31, 2024
Deferred tax relates to the following:			
Deferred tax assets			
On lease liabilities (net)	12.10	3.35	8.75
On Impairment on financial instruments	80.23	33.13	47.10
On Impairment (others)	22.66	(3.40)	26.06
On provision for Leave Encashment	1.94	1.18	0.76
Gross deferred tax assets	**116.93**	**34.26**	**82.67**
Deferred tax liabilities			
On property, plant and equipment	(30.63)	(14.25)	(16.39)
On gain on derecognition of financial assets	(167.84)	(128.55)	(39.29)
On Items recognised in OCI	(2.63)	3.45	(6.08)
Gross deferred tax liabilities	**(201.11)**	**(139.35)**	**(61.76)**
Net Deferred tax Asset/(Liability)	**(84.18)**	**(105.09)**	**20.91**

The components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

	Year ended March 31, 2025	Year ended March 31, 2024
Income Tax Expense recognised in the statement of profit & loss		
Current tax	-	11.45
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	108.54	(58.24)
Earlier year tax adjustments	(12.21)	1.84
	96.33	**(44.94)**
Income Tax Expense recognised in Other Comprehensive Income		
Deferred Tax(Credit)/ Charge relating to origination and reversal of temporary differences	**(3.45)**	**(2.52)**
	(3.45)	**(2.52)**
Total Income Tax Expense	**92.88**	**(47.47)**

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, 2025 and year ended March 31, 2024 is, as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	610.18	343.87
At India's statutory income tax rate of 25.168%	153.57	86.55
Non-deductible expenses	(27.67)	(52.86)
Additional Tax allowances	(35.64)	(63.31)
Earlier year tax adjustments	(12.21)	1.84
Others	18.29	(17.17)
Income tax expense reported in the statement of profit and loss	**96.33**	**(44.94)**

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.

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10 Property, Plant and Equipment-Tangible assets

	Gross block				Depreciation				Net block	
	As at April 01, 2024	Additions	Deductions	Up to March 31, 2025	As at April 01, 2024	For the year	On Deductions	Up to March 31, 2025	As at March 31,2024	As at March 31, 2025
Owned assets										
Leasehold Improvements	113.54	21.27	-	134.81	2.63	2.11	-	4.75	110.91	130.06
Furniture and fixtures	70.91	4.65	-	75.56	12.44	6.82	-	19.27	58.47	56.29
Vehicles	42.38	0.00	-	42.38	7.67	4.72	-	12.38	34.72	30.00
Electical Equipments	33.88	5.70	-	39.59	4.39	3.44	-	7.83	29.49	31.76
Office equipments	9.96	53.27	-	63.23	2.29	1.94	-	4.24	7.67	59.00
Computers	59.31	23.39	-	82.69	25.33	19.97	-	45.30	33.98	37.40
Total	**329.98**	**108.28**	**-**	**438.26**	**54.75**	**39.01**	**-**	**93.76**	**275.23**	**344.50**

10(a) Capital work-in-progress

Guest house under construction	-	-	-	-	-	-	-	-	-	14.85
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14.85**

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	14.85	-	-	-	14.85
Projects temporarily suspended	-	-	-	-	-

10(b) Other intangible Assets

	Gross block				Depreciation				Net block	
	As at April 01, 2024	Additions	Deductions	Up to March 31, 2025	As at April 01, 2024	For the year	On Deductions	Up to March 31, 2025	As at March 31,2024	As at March 31, 2025
Software Licence	199.75	-	-	199.75	3.28	19.97	-	23.26	196.46	176.49
	199.75	**-**	**-**	**199.75**	**3.28**	**19.97**	**-**	**23.26**	**196.46**	**176.49**

11 Right of Use assets	Gross block				Amortization				Net block	
	As at April 01, 2024	Additions/ Adjustments	Deductions/ Adjustments	Up to March 31, 2025	As at April 01, 2024	For the year	On Deductions/ Adjustments	Up to March 31, 2025	As at March 31,2024	As at March 31, 2025
Office builidings	362.36	241.18	27.26	576.27	95.86	71.41	20.85	146.43	266.49	429.85
Total	**362.36**	**241.18**	**27.26**	**576.27**	**95.86**	**71.41**	**20.85**	**146.43**	**266.49**	**429.85**

(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.

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12 Other non financial assets

	As at March 31, 2025	As at March 31, 2024
Prepaid Expenses	22.42	6.72
Other non-financial assets	42.04	31.08
	64.46	**37.80**

13 Payables

	As at March 31, 2025	As at March 31, 2024
(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	1,074.81	427.97
	1,074.81	**427.97**
(II) Other payables		
(a) Total outstanding dues of micro enterprises and small enterprises	3.60	1.35
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Other Payables	7.71	34.42
	11.31	**34.42**

Disclosure relating to suppliers registered under MSMED Act based on the information available with the NBFC:

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	3.60	1.35
Interest	-	-
Total	**3.60**	**1.35**
(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 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	-	-	-	-	-	**-**

As at 31st March 2024

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	1.35		-	-	-	**1.35**
ii. Others	-	462.38	-	-	-	**462.38**
iii. Disputed Dues - MSME	-	-	-	-	-	**-**
iv. Disputed Dues - Others	-	-	-	-	-	**-**

14 Debt Securities

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Debentures	4,088.94	2,609.26
Total (A)	**4,088.94**	**2,609.26**
Debt securities in India	4,088.94	2,609.26
Debt securities outside India	-	-
Total (B)	**4,088.94**	**2,609.26**

Terms and conditions:
Redeemable non-covertible debentures (NCD) -Secured of Rs.1000/- and Rs.100000/- each
Nature of Security: Secured on Book Debts

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**
Total	**4.87**	**4,084.08**	**4,088.94**

Terms of repayment as on March 31, 2024

Repayment terms	Rate of interest		Total
	<10%	>=10%<=16%	
Over 60 months	-	1,105.79	**1,105.79**
48-60 months	-	78.10	**78.10**
36-48 months	-	348.97	**348.97**
24-36 months	-	1,071.78	**1,071.78**
12-24 months	4.61	-	**4.61**
Upto 12 months	-	-	**-**
Total	**4.61**	**2,604.65**	**2,609.26**

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, 2025	As at March 31, 2024
At amortised cost (Secured)		
(a)Term loans		
(i) from banks - Over draft	-	-
(ii) from banks - Term Loans	4,176.43	2,283.06
(iii) from banks - Term Loan For Car	17.92	22.36
(iv) from corporates -INR	8,537.12	4,748.88
Total (A)	**12,731.46**	**7,054.30**
Borrowings in India	12,731.46	7,054.30
Borrowings outside India	-	-
Total (B)	**12,731.46**	**7,054.30**

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	-
Term Loan			
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
Total			**4,194.35**

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 against Fixed Deposit with Bank.

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	1,026.26
12-24 months	12% to 16%	To be paid on 05/11/21/25th of every month	3,318.25
upto 12 months	12% to 16%	To be paid on 05/11/21/25th of every month	4,192.60
Total			**8,537.12**

Nature of security: Exclusive hypothecation of loans receivables.

As at March 31, 2024

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	-
Term Loan			
36-48 Months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	212.54
24-36 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	616.34
12-24 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	693.16
upto 12 months	10.80%-14.00%	To be paid on 05/18/30/31st of every month	783.38
Total			**2,305.42**

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 against Fixed Deposit with Bank.

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	2.67
24-36 months	12% to 15%	To be paid on 11/21/25th of every months	896.57
12-24 months	12% to 15%	To be paid on 11/21/25th of every months	1,736.52
upto 12 months	12% to 15%	To be paid on 11/21/25th of every months	2,113.12
Total			**4,748.88**

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) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
(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, 2025	As at March 31, 2024
At amortised cost		
Subordinated Debentures	945.27	783.23
Total (A)	**945.27**	**783.23**

Terms of repayment as on March 31, 2025

Repayment terms	Rate of interest		Total
	<10%	>=10%<=12.5%	
Over 60 months	-	300.66	**300.66**
48-60 months	-	0.00	**0.00**
36-48 months	-	247.83	**247.83**
24-36 months	-	396.78	**396.78**
12-24 months	-	-	**-**
Upto 12 months	-	-	**-**
Total	**-**	**945.27**	**945.27**

During the year there were no defaults in the repayment of principal and interest.

Terms of repayment as on March 31, 2024

Repayment terms	Rate of interest		Total
	<10%	>=10%<=12.5%	
Over 60 months	-	160.14	**160.14**
48-60 months	-	247.59	**247.59**
36-48 months	-	375.49	**375.49**
24-36 months	-	-	**-**
12-24 months	-	-	**-**
Upto 12 months	-	-	**-**
Total	**-**	**783.23**	**783.23**

During the year there were no defaults in the repayment of principal and interest.

17 Deposits

Particulars	As at March 31, 2025	As at March 31, 2024
At Amortised Cost (Unsecured)		
(i) Public Deposits	-	77.35
(ii)From Corporates	2,987.97	2,958.58
(iii)From Director and its related party	425.27	387.29
	3,413.24	**3,423.22**

Particulars	As at March 31, 2025	As at March 31, 2024
A Deposits from public - unsecured		
Outstanding balance	Nil	INR 77.35 lacs
Rate of Interest	10% p.a-11.5% p.a	10% p.a-11.5% p.a
B Deposits from Corporates - unsecured		
Outstanding balance	INR 2,987.97 lacs	INR 2,958.58 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
C Deposits from directors and its related parties - unsecured		
Outstanding balance	INR 425.27 lacs	INR 387.29 lacs
Terms of repayment	Repayable on demand	Repayable on demand
Rate of Interest	11% p.a-14% p.a	11% p.a-14% p.a

17.1 There is an unsecured loam (exempt deposit) given by Late Mr. S. D. Chugh, Ex Managing Director which is overdue. There is no omination 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	1,486 days

18 Other Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Accrued Interest	-	1.87
Capital Creditors	-	84.00
Payable on account of DA	492.80	-
Other financial liabilities	451.60	441.77
	944.40	**527.64**

19 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits	7.71	3.01
Provision for Income Tax	-	1.36
	7.71	**4.37**

20 Other Non-Financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Due Payable	97.59	60.21
	97.59	**60.21**

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, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

21 Equity Share capital

	As at March 31, 2025	As at March 31, 2024
Authorized		
4,00,00,000 (March 31, 2024: 4,00,00,000) equity shares of Rs. 10/- each	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued		
12,401,330 (March 31, 2024: 12,401,330) equity shares of Rs. 10/- each	1,240.13	1,240.13
	1,240.13	**1,240.13**
Subscribed and fully paid-up shares		
12,386,830 (March 31, 2024: 12,386,830) equity shares of Rs. 10/- each	1,238.68	1,238.68
	1,238.68	**1,238.68**

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	12,386,830	**1,238.68**	12,386,830	**1,238.68**
Add: Issued & subscribed during the year	-	**-**	-	**-**
Outstanding at the end of the year	**12,386,830**	**1,238.68**	**12,386,830**	**1,238.68**

(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 alloted 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, 2025		As at March 31, 2024	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Nitika Shikha Chugh	504,980	4.08%	679,980	5.49%
Agile Finserv Pvt.Ltd.	2,188,200	17.67%	2,188,200	17.67%
Hamco Ispat Private Ltd.	950,000	7.67%	950,000	7.67%
Nalini Rampilla	-	0%	700,000	5.65%
Kalyana Chakravarthy Pilla	1,740,000	14.05%	700,000	5.65%
Glosec Sub Broker and Marketing Services	844,600	6.82%	844,600	6.82%
Insta Apphanced Private Limited	814,650	6.58%	734,650	5.93%

(e) Promoter shareholding

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%	100.00%
2	Nitika Shikha Chugh	504,980	4.08%	679,980	5.49%	26.00%

S.No.	Promoter Name	As at March 31, 2024		As at March 31, 2023		%Change during the year
		No. of Shares	% shareholding	No. of Shares	% shareholding	
1	Chandan Chugh	20,000	0.16%	20,000	0.16%	-
2	Nitika Shikha Chugh	679,980	5.49%	679,980	5.49%	-

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: L65110PB1992PLC012488
Notes forming part of the Financial Statements for the year ended March 31, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

22 Other Equity	**As at March 31, 2025**	**As at March 31, 2024**
(a) General Reserve		
Opening balance	29.38	29.38
Add: Transferred from retained earnings	-	-
Closing balance	**29.38**	**29.38**
(b) Statutory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)		
Opening balance	234.03	156.26
Add: Transferred from retained earnings	102.77	77.76
Closing balance	**336.80**	**234.03**
(c) Other comprehensive income		
Opening balance	36.82	45.62
Add: Net gain/(loss) on equity instrument designated at FVOCI	(7.08)	(9.61)
Add: Remeasurement gain/(loss) on defined benefit plan (net of tax)	(4.13)	0.81
Closing balance	**25.60**	**36.82**
(d) Share Premium acount		
Opening balance	1,068.76	1068.76
Add: Issued during the year	-	-
Less: Expenses during the year	-	-
Closing balance	**1,068.76**	**1,068.76**
(e) Share Warrant		
Opening balance	1,661.45	-
Add: Issued during the year	1,447.64	1,661.45
Less: Alloted during the year	-	-
Closing balance	**3,109.09**	**1,661.45**
(f) Retained earnings		
Opening balance	496.06	185.01
Add: Net Profit/(Net Loss) for the current year	513.85	388.82
Add /(Less): Appropriations		
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(102.77)	(77.76)
Closing balance	**907.14**	**496.06**
Total Reserves and surplus	**5,476.78**	**3,526.50**

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.

(c) Share Warrant

The company issued and alloted 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 further received call 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 convertible into equity shares on the balance payment of Rs. 8/- (Rupees Eight 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.

(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 31.03.2025 as per market rate is Rs. 259.50. 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, less any transfers to statutory reserve and general reserves.

23 Revenue from Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On Financial Assets measured at Amortised Cost		
(i) Interest Income		
Interest on Loans	5,060.01	3,092.87
Interest income from investments	19.89	31.63
Interest on deposits with Banks	48.72	12.88
Income from loan related and other commission services	161.95	125.66
(ii) Dividend Income	-	0.12
(iii) Gain on derecognition of financial assets	877.12	201.10
Total	**6,167.70**	**3,464.27**

24 Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Income Tax Refund	0.44	0.44
Miscellaneous Income	32.80	1.99
Commission Income	135.44	-
Gain on Lease modification	1.49	-
	170.17	**2.43**

25 Finance Cost

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On Financial liabilities measured at amortised cost		
- Interest on deposits	37.65	32.85
- Interest on Inter corporate deposits	567.63	465.21
- Interest on borrowings (other than debt securities)		
- Loan from corporates	951.30	391.82
- Loan from banks	368.68	221.28
- Interest on debt securities		
- Debentures	576.13	364.47
- Other interest expense		
- Interest on lease liability	48.12	30.75
- Bank interest	-	-
- Interest paid on car loan	1.80	1.52
- Interest on trade advance	-	0.11
	2,551.30	**1,508.02**

26 Impairment on Financial Instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial instruments measured at amortised cost		
Impairment allowance on loans*	131.64	119.62
Impairment on investments and other financial assets	(14.65)	103.55
Loss on sale of repossessed vehicle	263.06	24.12
Bad debt written off	-	68.93
	380.05	**316.22**

*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, 2025

	General approach			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers	45.85	5.95	79.83	**131.63**
Total impairment loss	**45.85**	**5.95**	**79.83**	**131.63**

Year ended March 31, 2024

	General approach			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers	28.79	11.18	79.64	**119.62**
Total impairment loss	**28.79**	**11.18**	**79.64**	**119.62**

27 Employee Benefit Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	1,865.42	607.02
Leave Encashment	4.70	-
Contribution to provident and other funds	122.57	79.46
Gratuity expenses	10.37	6.58
Staff welfare expenses	29.91	16.02
	2,032.97	**709.09**

28 Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	39.01	27.01
Depreciation on other intangible assets	19.97	3.28
Depreciation on right-of-use assets	71.41	41.59
	130.40	**71.88**

29 Other Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rent, taxes and energy costs	44.80	31.13
Repairs and maintenance	9.21	11.13
Communication costs	20.92	12.48
Printing and stationery	37.88	28.39
Annual day expenses	12.13	5.84
Advertisement and publicity	33.63	11.25
Car running & maintenance expenses	1.73	0.37
Director's fees, allowances and expenses	1.48	2.83
Rates and Taxes	106.65	56.06
Payment to auditor (Refer details below)	9.31	10.11
Legal and Professional charges	97.16	146.73
Insurance	13.65	6.74
Tour & Travelling Expenses	113.86	92.21
Entertainment & Festive Expenses	13.69	12.23
Incentive Expenses	-	7.58
Membership Fees & Subcription	38.81	22.17
Software Development Charges	7.87	1.25
Servicer fees	45.11	28.07
Miscellaneous Expenditure	25.08	31.04
	632.97	**517.62**

Note : The following is the break-up of Auditors remuneration

Payment to Auditors (exclusive of applicable taxes):	Year ended March 31, 2025	Year ended March 31, 2024
Statutory Audit fees	7.00	8.10
Out of Pocket Expenses	1.91	1.61
Tax Audit fees	0.40	0.40
	9.31	**10.11**

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:

	Year ended March 31, 2025	Year ended March 31, 2024
Earning / Loss attributable to equity holders	513.85	388.82
Weighted average number of equity shares for basic EPS	123.87	123.87
Weighted average number of equity shares for diluted EPS	190.48	124.05
Basic Profit/Loss per share (INR)	4.15	3.14
Diluted Profit/loss per share (INR)	2.70	3.13

31 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss	Year ended March 31, 2025	Year ended March 31, 2024
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 27)	122.57	79.46

(B) Defined benefit plans - Gratuity payable to employees

(C) Other long term employee benefits - Leave Encashment

i) **Actuarial assumptions**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate (per annum)	7.04%	7.25%	7.04%	7.25%
Rate of increase in Salary	5%	5%	5%	5%
Expected average remaining working lives of employees (years)	26.80	25.68	27.34	26.02
Attrition rate				
Upto 30 years	5%	5%	5%	5%
From 31-44 years	3%	3%	3%	3%
Above 44 years	2%	2%	2%	2%

ii) **Changes in the present value of defined benefit obligation**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Present value of obligation at the beginning of the year	24.02	21.56	3.01	3.36
Interest cost	1.74	1.59	0.22	0.25
Past service cost	-	-	-	-
Current service cost	11.17	7.49	2.45	1.24
Curtailments	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(4.17)	(5.63)	-	-
Actuarial (gain)/ loss on obligations	5.30	(0.99)	2.03	(1.83)
Present value of obligation at the end of the year	**38.06**	**24.02**	**7.71**	**3.01**

iii) **Expense recognized in the Statement of Profit and Loss**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	11.17	7.49	2.45	1.24
Past service cost	-	-	-	-
Interest cost	1.74	1.59	0.22	0.25
Expected return on plan assets	-	-	-	-
Actuarial (gain) / loss on obligations	-	-	-	-
Settlements	-	-	-	-
Curtailments	-	-	-	-
Total expenses recognized in the Statement Profit and Loss*	**12.91**	**9.09**	**2.67**	**1.49**

*Included in Employee benefits expense (Refer Note 27).

iv) **Change in plan assets**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Fair value of plan assets at the beginning of the period	35.11	33.94	-	-
Actual return on plan assets	2.32	2.33	-	-
Employer contribution	10.20	4.48	-	-
Benefits paid	(4.17)	(5.63)	-	-
Fair value of plan assets at the end of the period	**43.46**	**35.11**	**-**	**-**

v) **Assets and liabilities recognized in the Balance Sheet:**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Present value of unfunded obligation as at the end of the year	38.06	24.02	7.71	3.01
Fair value of plan assets	43.46	35.11	-	-
Unfunded net asset / (liability) recognized in Balance Sheet	**5.40**	**11.09**	**(7.71)**	**(3.01)**

vi) **Other Comprehensive Income**

Particulars	Gratuity	
	Year ended March 31, 2025	Year ended March 31, 2024
a) Net cumulative unrecognized actuarial gain/(loss) opening	-	-
b) Actuarial gain / (loss) for the year on PBO	(5.30)	0.99
c) Actuarial gain /(loss) for the year on Asset	(0.22)	(0.18)
d) Unrecognized actuarial gain/(loss) for the year	(5.52)	0.81

vii) **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 disclosed 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.

viii) **Expected contribution to the fund in the next year**

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Gratuity/Leave Encashment	17.43	10.66	3.12	1.45

ix) A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Impact on defined benefit obligation				
Discount rate				
0.5% increase	(2.18)	(1.28)	(0.44)	(0.15)
0.5% decrease	2.40	1.40	0.48	0.16
Rate of increase in salary				
0.5% increase	2.12	1.42	0.49	0.17
0.5% decrease	(2.17)	(1.31)	(0.45)	(0.15)

x) Maturity profile of defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Year				
0 to 1 Year	-	0.46	-	0.51
1 to 2 Year	1.47	0.42	0.78	0.13
2 to 3 Year	1.80	1.65	0.29	0.13
3 to 4 Year	0.97	1.04	0.21	0.07
4 to 5 Year	1.50	1.34	0.20	0.08
5 to 6 Year	1.28	0.66	0.31	0.06
6 Year onwards	31.04	18.47	5.91	2.04

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, 2023	233.45
Additions	74.63
Deletion	-
Depreciation	(41.59)
Depreciation on deletion	-
Balance as at March 31, 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**

(ib) Changes in the Lease liabilities

Particulars	Asset Class Office Building
Balance as at April 1, 2023	253.20
Additions	74.63
Deletion	-
Interest	30.75
Lease Payments	(57.32)
Balance as at March 31, 2024	**301.27**
Additions	237.31
Deletion	(7.90)
Interest	48.12
Lease Payments	(100.85)
Balance as at March 31, 2025	**477.94**

(ii) Break-up of current and non-current lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	130.10	68.99
Non-current Lease Liabilities	347.83	232.28

(iii) Maturity analysis of lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	130.10	68.99
One to five years	450.17	276.17
More than five years	80.84	75.26

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Lease Liabilities	48.12	30.75
Depreciation on Right of Use asset	71.41	41.59
Total	**119.53**	**72.34**

(v) Amounts recognised in statement of Cash Flows

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Total Cash outflow for leases	52.74	26.56

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, 2025 and March 31, 2024.

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Notes forming part of the Financial Statements for the quarter ended March 31, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

35 Related party disclosures

(a) Names of the related parties and related party relationship

Relationship	Name of Party
(i) Promoter and Promotor group	Late Sh.Shiv Dyal Chugh (expired on 07.03.2021) Mr. Chandan Chugh
(ii) Entities owned or significantly influenced by Key Managerial Personnel or their relatives	Hamco Ispat Pvt. Ltd.
(iii) Director/Key management personnel or their relatives	Mr. Vijay Kumar Sareen (Whole-Time Director) Mr. Yaduvendra Mathur (Chairman & Independent Director)(deceased on 04.05.2024) Mr. Meghal Gupta (Director) Mr. Ashwani Kumar Jindal (Independent Director) Mr. Vijay Kumar Bhandari (Nominee Director)(deceased on 08.10.2024) Ms. Aditi Kapur (Independent Director) Mr. Kumar Shalya Gupta (Chief Exective Officer) Ms. Shikha Kapoor (Company Secretary) Mr. Kuldip Bhandari (Chief Financial Officer) 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) Ms. Neha Gupta (Director's Mother) Ms. Arushi Gupta (Director's wife) Ms. Rekha Jindal (Director's wife) Ms. Nitika Shikha Chugh (Director's wife) Ms. Meenu Chawla (Director's Daughter) Ms. Parvenn 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, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Transactions during the year														
A	**Remuneration**														
	Mr.Vijay Kumar Sareen	-	-	-	-	17.51	12.96	-	-	-	-	-	-	**17.51**	**12.96**
	Mr. Kumar Shalya Gupta	-	-	-	-	-	-	-	-	89.86	40.68	-	-	**89.86**	**40.68**
	Mr. Kuldip Bhandari	-	-	-	-	-	-	-	-	11.77	9.74	-	-	**11.77**	**9.74**
	Ms. Shikha Kapoor	-	-	-	-	-	-	-	-	5.27	5.01	-	-	**5.27**	**5.01**
B	**Professional Fees**														
	Mr. Yaduvendra Mathur	-	-	-	-	-	1.80	-	-	-	-	-	-	**-**	**1.80**
	Mr. Meghal Gupta	-	-	-	-	12.00	12.00	-	-	-	-	-	-	**12.00**	**12.00**
	Mr. Manthan Gupta	-	-	-	-	-	-	16.08	3.00	-	-	-	-	**16.08**	**3.00**
	Mr.Chandan Chugh	3.60	3.60	-	-	-	-	-	-	-	-	-	-	**3.60**	**3.60**
C	**Rent**														
	Ms.Sangeeta Sareen	-	-	-	-	-	-	2.57	2.24	-	-	-	-	**2.57**	**2.24**
D	**Director Meeting Fees**														
	Mr. Yaduvendra Mathur	-	-	-	-	-	0.62	-	-	-	-	-	-	**-**	**0.62**
	Mr. Ashwani Kumar Jindal	-	-	-	-	0.66	0.72	-	-	-	-	-	-	**0.66**	**0.72**
	Mr. Vijay Kumar Bhandari	-	-	-	-	0.11	0.68	-	-	-	-	-	-	**0.11**	**0.68**
	Ms. Aditi Kapur	-	-	-	-	0.55	0.63	-	-	-	-	-	-	**0.55**	**0.63**
	Mr.Chandan Chugh	-	0.05	-	-	-	-	-	-	-	-	-	-	**-**	**0.05**
E	**Interest on Deposits/NCD's taken**														
	Mr.Vijay Kumar Sareen					5.91	5.13	-	-	-	-	-	-	**5.91**	**5.13**
	Mr.Aashim Sareen	-	-	-	-	-	-	9.12	8.47	-	-	-	-	**9.12**	**8.47**
	Mr.Aarish Sareen	-	-	-	-	-	-	1.81	1.72	-	-	-	-	**1.81**	**1.72**
	Ms.Sangeeta Sareen	-	-	-	-	-	-	7.76	5.98	-	-	-	-	**7.76**	**5.98**
	Ms.Swati Gupta	-	-	-	-	-	-	5.08	4.77	-	-	-	-	**5.08**	**4.77**
	Mr. Meghal Gupta	-	-	-	-	2.14	2.09	-	-	-	-	-	-	**2.14**	**2.09**
	Mr.Manthan Gupta	-	-	-	-	-	-	0.97	1.24	-	-	-	-	**0.97**	**1.24**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	7.18	7.83	-	-	-	-	**7.18**	**7.83**
	Ms.Neha Gupta	-	-	-	-	-	-	3.32	4.29	-	-	-	-	**3.32**	**4.29**
	Ms. Arushi Gupta	-	-	-	-	-	-	0.68	0.79	-	-	-	-	**0.68**	**0.79**
	Ms. Rekha Jindal	-	-	-	-	-	-	1.69	1.74	-	-	-	-	**1.69**	**1.74**
	Ms.Parveen Arora	-	-	-	-	-	-	1.47	1.34	-	-	-	-	**1.47**	**1.34**
	Ms.Meenu Chawla	-	-	-	-	-	-	7.13	4.78	-	-	-	-	**7.13**	**4.78**
	Ms.Sonal Dhawan	-	-	-	-	-	-	7.13	4.78	-	-	-	-	**7.13**	**4.78**
	Hamco Ispat Pvt. Ltd.	-	-	2.02	-	-	-	-	-	-	-	-	-	**2.02**	**-**
	Mr. Kuldip Bhandari	-	-	-	-	-	-	-	-	0.02	-	-	-	**0.02**	**-**
	Ms. Shikha Kapoor	-	-	-	-	-	-	-	-	0.10	-	-	-	**0.10**	**-**
	Shant Kumar Gupta HUF	-	-	-	-	-	-	2.81	-	-	-	-	-	**2.81**	**-**
F	**Professional Charges**														
	Dinesh Gupta & Co	-	-	6.21	7.20	-	-	-	-	-	-	-	-	**6.21**	**7.20**
	DSB Law Group	-	-	6.21	7.20	-	-	-	-	-	-	-	-	**6.21**	**7.20**
	Dinesh Gupta	-	-	-	-	-	-	-	-	-	-	5.75	5.52	**5.75**	**5.52**
	DSB Tax Consultant	-	-	3.11	4.20	-	-	-	-	-	-	-	-	**3.11**	**4.20**
G	**Reimbursement of Expenses**														
	Dinesh Gupta	-	-	-	-	-	-	-	-	-	-	15.27	16.75	**15.27**	**16.75**
	Meghal Gupta	-	-	-	-	2.02	0.48	-	-	-	-	-	-	**2.02**	**0.48**
	Kumar Shalya Gupta	-	-	-	-	-	-	-	-	1.17	-	-	-	**1.17**	**-**
	Vijay Kumar Sareen	-	-	-	-	0.25	0.25	-	-	-	-	-	-	**0.25**	**0.25**
H	**Deposits Taken**														
	Mr. Vijay Kumar Sareen	-	-	-	-	26.81	4.00	-	-	-	-	-	-	**26.81**	**4.00**
	Ms. Sangeeta Sareen	-	-	-	-			14.50	18.00	-	-	-	-	**14.50**	**18.00**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	2.25	23.00	-	-	-	-	**2.25**	**23.00**
	Ms.Neha Gupta	-	-	-	-	-	-	1.12	8.00	-	-	-	-	**1.12**	**8.00**
	Mr. Meghal Gupta	-	-	-	-	23.81	5.00	-	-	-	-	-	-	**23.81**	**5.00**
	Mr.Manthan Gupta	-	-	-	-	-	-	1.50	5.00	-	-	-	-	**1.50**	**5.00**
	Ms. Arushi Gupta	-	-	-	-	-	-	3.73	7.00	-	-	-	-	**3.73**	**7.00**
	Ms.Meenu Chawla	-	-	-	-	-	-	51.00	51.00	-	-	-	-	**51.00**	**51.00**
	Ms.Sonal Dhawan	-	-	-	-	-	-	51.00	51.00	-	-	-	-	**51.00**	**51.00**
	Mr. Aashim Sareen	-	-	-	-	-	-	50.26	-	-	-	-	-	**50.26**	**-**
	Ms. Swati Gupta	-	-	-	-	-	-	13.42	-	-	-	-	-	**13.42**	**-**
	Ms. Rekha Jindal	-	-	-	-	-	-	25.00	-	-	-	-	-	**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, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Balance outstanding at the year end														
I	**Oustanding Deposits**														

	Late Sh.Shiv Dayal Chugh	61.16	61.16	-	-	-	-	-	-	-	-	-	-	**61.16**	**61.16**
	Mr. Vijay Kumar Sareen	-	-	-	-	39.16	35.82	-	-	-	-	-	-	**39.16**	**35.82**
	Mr. Aashim Sareen	-	-	-	-	-	-	51.85	47.86	-	-	-	-	**51.85**	**47.86**
	Ms. Sangeeta Sareen	-	-	-	-	-	-	48.16	40.41	-	-	-	-	**48.16**	**40.41**
	Ms. Swati Gupta	-	-	-	-	-	-	14.12	12.76	-	-	-	-	**14.12**	**12.76**
	Ms.Parveen Arora	-	-	-	-	-	-	14.38	12.90	-	-	-	-	**14.38**	**12.90**
	Mr.Aarish Sareen	-	-	-	-	-	-	12.43	11.28	-	-	-	-	**12.43**	**11.28**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	2.28	6.82	-	-	-	-	**2.28**	**6.82**
	Ms.Neha Gupta	-	-	-	-	-	-	1.13	-	-	-	-	-	**1.13**	**-**
	Mr. Meghal Gupta	-	-	-	-	24.31	10.92	-	-	-	-	-	-	**24.31**	**10.92**
	Mr.Manthan Gupta	-	-	-	-	-	-	1.52	5.64	-	-	-	-	**1.52**	**5.64**
	Ms. Arushi Gupta	-	-	-	-	-	-	7.33	8.62	-	-	-	-	**7.33**	**8.62**
	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	-	-	-	-	-	-	25.04	-	-	-	-	-	**25.04**	**-**
	Shant Kumar Gupta HUF	-	-	-	-	-	-	-	0.27	-	-	-	-	**-**	**0.27**
	Hamco Ispat Pvt. Ltd.	-	-	-	5.22	-	-	-	-	-	-	-	-	**-**	**5.22**
J	**Outstanding Debentures**														
	Mr. Vijay Kumar Sareen	-	-	-	-	16.21	15.63	-	-	-	-	-	-	**16.21**	**15.63**
	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	-	-	-	-	-	-	19.64	18.73	-	-	-	-	**19.64**	**18.73**
	Ms. Swati Gupta	-	-	-	-	-	-	5.00	5.00	-	-	-	-	**5.00**	**5.00**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	-	59.25	-	-	-	-	**-**	**59.25**
	Ms.Neha Gupta	-	-	-	-	-	-	3.18	28.10	-	-	-	-	**3.18**	**28.10**
	Mr. Meghal Gupta	-	-	-	-	12.50	11.26	-	-	-	-	-	-	**12.50**	**11.26**
	Mr.Manthan Gupta	-	-	-	-	-	-	7.71	6.95	-	-	-	-	**7.71**	**6.95**
	Ms. Arushi Gupta	-	-	-	-	-	-	1.37	1.24	-	-	-	-	**1.37**	**1.24**
	Ms. Rekha Jindal	-	-	-	-	-	-	-	15.50	-	-	-	-	**-**	**15.50**
	Shant Kumar Gupta HUF	-	-	-	-	-	-	15.40	13.87	-	-	-	-	**15.40**	**13.87**
	Hamco Ispat Pvt. Ltd.	-	-	-	62.42	-	-	-	-	-	-	-	-	**-**	**62.42**
K	**Oustanding Subordinated Debts**														
	Ms. Swati Gupta	-	-	-	-	-	-	28.92	25.98	-	-	-	-	**28.92**	**25.98**
	Ms. Sangeeta Sareen	-	-	-	-	-	-	8.00	8.00	-	-	-	-	**8.00**	**8.00**
	Mr. Aashim Sareen	-	-	-	-	-	-	28.92	25.98	-	-	-	-	**28.92**	**25.98**

	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, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Maximum balance outstanding during the year														
L	**Oustanding Deposits**														
	Late Sh.Shiv Dayal Chugh	61.16	61.16	-	-	-	-	-	-	-	-	-	-	**61.16**	**61.16**
	Mr. Vijay Kumar Sareen	-	-	-	-	39.16	35.82	-	-	-	-	-	-	**39.16**	**35.82**
	Mr. Aashim Sareen	-	-	-	-	-	-	51.85	47.86	-	-	-	-	**51.85**	**47.86**
	Ms. Sangeeta Sareen	-	-	-	-	-	-	48.16	40.41	-	-	-	-	**48.16**	**40.41**
	Ms. Swati Gupta	-	-	-	-	-	-	14.12	12.76	-	-	-	-	**14.12**	**12.76**
	Ms.Parveen Arora	-	-	-	-	-	-	14.38	12.90	-	-	-	-	**14.38**	**12.90**
	Mr.Aarish Sareen	-	-	-	-	-	-	12.43	11.28	-	-	-	-	**12.43**	**11.28**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	6.94	30.03	-	-	-	-	**6.94**	**30.03**
	Ms.Neha Gupta	-	-	-	-	-	-	1.13	13.85	-	-	-	-	**1.13**	**13.85**
	Mr. Meghal Gupta	-	-	-	-	24.31	10.92	-	-	-	-	-	-	**24.31**	**10.92**
	Mr.Manthan Gupta	-	-	-	-	-	-	5.75	5.64	-	-	-	-	**5.75**	**5.64**
	Ms. Arushi Gupta	-	-	-	-	-	-	7.33	8.62	-	-	-	-	**7.33**	**8.62**
	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	-	-	-	-	-	-	25.04	-	-	-	-	-	**25.04**	**0.00**
	Shant Kumar Gupta HUF	-	-	-	-	-	-	0.28	0.27	-	-	-	-	**0.28**	**0.27**
	Hamco Ispat Pvt. Ltd.	-	-	5.76	5.22	-	-	-	-	-	-	-	-	**5.76**	**5.22**
M	**Outstanding Debentures**														
	Mr. Vijay Kumar Sareen	-	-	-	-	16.21	15.63	-	-	-	-	-	-	**16.21**	**15.63**
	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	-	-	-	-	-	-	19.64	18.73	-	-	-	-	**19.64**	**18.73**
	Ms. Swati Gupta	-	-	-	-	-	-	5.00	5.00	-	-	-	-	**5.00**	**5.00**
	Mr.Shant Kumar Gupta	-	-	-	-	-	-	65.57	59.25	-	-	-	-	**65.57**	**59.25**
	Ms.Neha Gupta	-	-	-	-	-	-	30.40	28.10	-	-	-	-	**30.40**	**28.10**
	Mr. Meghal Gupta	-	-	-	-	12.50	11.26	-	-	-	-	-	-	**12.50**	**11.26**
	Mr.Manthan Gupta	-	-	-	-	-	-	7.71	6.95	-	-	-	-	**7.71**	**6.95**
	Ms. Arushi Gupta	-	-	-	-	-	-	1.37	1.24	-	-	-	-	**1.37**	**1.24**
	Ms. Rekha Jindal	-	-	-	-	-	-	15.82	15.50	-	-	-	-	**15.82**	**15.50**
	Shant Kumar Gupta HUF	-	-	-	-	-	-	15.46	13.87	-	-	-	-	**15.46**	**13.87**
	Hamco Ispat Pvt. Ltd.	-	-	69.05	62.42	-	-	-	-	-	-	-	-	**69.05**	**62.42**
N	**Oustanding Subordinated Debts**														
	Ms. Swati Gupta	-	-	-	-	-	-	28.92	25.98	-	-	-	-	**28.92**	**25.98**
	Ms. Sangeeta Sareen	-	-	-	-	-	-	8.00	8.00	-	-	-	-	**8.00**	**8.00**
	Mr. Aashim Sareen	-	-	-	-	-	-	28.92	25.98	-	-	-	-	**28.92**	**25.98**

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 period ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: 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.

37 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

	Carrying Value				Fair Value			
As at 31st March' 2025	**FVTPL**	**FVTOCI**	**Amortized Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets								
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			591.15	**591.15**		513.88		**513.88**
Other Financial Assets			1,662.94	**1,662.94**				-
	-	**26.62**	**29,572.77**	**29,599.38**	**26.62**	**538.03**	**22,571.92**	**23,136.57**
Financial Liabilities								
Payables								
(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 Liabilites			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**

	Carrying Value				Fair Value			
As at 31st March' 2024	**FVTPL**	**FVTOCI**	**Amortized Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets								
Cash and Cash Equivalents			2,635.87	**2,635.87**				-
Bank Balance other than cash and cash equivalent			110.20	**110.20**				-
Loans			14,634.30	**14,634.30**			14,634.30	**14,634.30**
Investments		35.76	31.32	**67.08**	35.76	31.32		**67.08**
Investment on securities receipts with ARC			643.93	**643.93**		566.66		**566.66**
Other Financial Assets			1,181.41	**1,181.41**				-
	-	**35.76**	**19,237.03**	**19,272.78**	**35.76**	**597.98**	**14,634.30**	**15,268.03**
Financial Liabilities								
Payables								
(I) Trade Payables			427.97	**427.97**				-
(II) Other Payables			35.76	**35.76**				-
Debt Securities			2,609.26	**2,609.26**			2,609.26	**2,609.26**
Borrowings (Other than Debt Securities)			7,054.30	**7,054.30**			7,054.30	**7,054.30**
Subordinated Liabilites			783.23	**783.23**			783.23	**783.23**
Deposits			3,423.22	**3,423.22**			3,423.22	**3,423.22**
Lease Liabilities			301.27	**301.27**				-
Other financial liabilities			527.64	**527.64**				-
	-	-	**15,162.64**	**15,162.64**	-	-	**13,870.01**	**13,870.01**

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.

38 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 Company does not have any borrowings with floating rate.

(ii) 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 itis exposed and take corrective actions.
The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
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
Non-performing	90+ dpd

Impairment assessment

The Company's impairment assessment and measurement approach for all the loan portforlio except Direct Assignment is mentioned below. The Direct Assignment, being secured and new transaction during the year and there are no past trends, industry benchmarking for Group Loans has been applied for the same.

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 unlikeliness 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)	19,622.98	1,864.00	860.79	**22,347.77**
Credit risk exposure (Direct assignment)	542.92	-	-	**542.92**
Impairment Allowance on Credit Exposure	(103.86)	(29.13)	(185.78)	**(318.77)**
Net Credit Risk Exposure	**20,062.04**	**1,834.88**	**675.01**	**22,571.92**

(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
March 31, 2025					
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**
Deferred tax liablities (Net)	-	-	-	84.18	**84.18**
Other Financial Liabilities	742.25	0.00	202.15	-	**,944.41**
	3,525.09	**4,896.84**	**13,993.52**	**1,539.27**	**23,954.72**
March 31, 2024					
Other payables	35.76	-	-	-	**35.76**
Trade payables	427.97	-	-	-	**427.97**
Debt Securities	-	-	1,503.46	1,105.79	**2,609.26**
Borrowing (Other than Debt Securities)	774.76	2,120.30	4,159.24	-	**7,054.30**
Lease Liabilities (Based on Undiscounted Value)	17.01	51.98	232.28	-	**301.27**
Subordinated Debentures	-	-	623.08	160.14	**783.23**
Deposits	-	820.65	2,602.57	-	**3,423.22**
Other Financial Liabilities	205.76	144.21	242.25	-	**592.22**
	1,461.26	**3,137.14**	**9,362.89**	**1,265.94**	**15,227.22**

39 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 43.2 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 Company has complied with the notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards".
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.

40 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. However, Company has filed certain cases for recovery of certain amounts, as mentioned in Note 45.

b. Commitment: The Company has sanctioned loans which are still to be disbursed amounting to Rs. 203.51 lakhs as on March 31, 2025 (As on March 31, 2024: Rs.NIL).

41 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, 2025
(All amounts in Rupees in lacs, unless otherwise stated)

42 Disclosures required for NBFC as per Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

42.1 Schedule to the Balance Sheet of the company

Particulars					
Liabilities side				**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:**				
	(a)	Debentures: Secured		4,088.94	-
		: Unsecured		945.27	-
		(other than falling within the meaning of public deposits)			
	(b)	Deferred Credits		-	-
	(c)	Term Loans		4,194.35	-
	(d)	Inter-corporate loans and borrowing		11,525.08	-
	(e)	Commercial Paper		-	-
	(f)	Public Deposits		-	-
	(g)	Other Loans- Exempt Deposits		425.27	81.55
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a)	In the form of Unsecured debentures		-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
	(c)	Other public deposits		-	-
Assets side				**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**				
	(a)	Secured			22,571.92
	(b)	Unsecured			-
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**				
	(i)	Lease assets including lease rentals under sundry debtors:			
		(a)	Financial lease		-
		(b)	Operating lease		-
	(ii)	Stock on hire including hire charges under sundry debtors:			
		(a)	Assets on hire		-
		(b)	Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities			
		(a)	Loans where assets have been repossessed		-
		(b)	Loans other than (a) above		-
(5)	**Break-up of Investments**				
	Current Investments				
	1.	Quoted			
		(i)	Shares		
			(a) Equity		-
			(b) Preference		-
		(ii)	Debentures and Bonds		-
		(iii)	Units of mutual funds		-
		(iv)	Government Securities		-
		(v)	Others (please specify)		-

	2.	Unquoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	18.32
		(v)	Others (please specify)	-
	Long Term investments			
	1.	Quoted		
		(i)	Shares	
			(a) Equity	26.62
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-
	2.	Unquoted		
		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	5.83
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others-FDR with NBFC	-
		(vi)	Others-Investment in ARC Security receipts	513.88

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category			Amount net of provisions		
			Secured	Unsecured	Total
1.	**Related Parties**				
	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group	-	-	-
	(c)	Other related parties	-	-	-
2.	Other than related parties		22,571.92	-	22,571.92
	Total		**22,571.92**	**-**	**22,571.92**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category			Market Value/ Break up or Fair Value or NAV	Book Value (Net of Provisions)
1.	Related Parties		-	-
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties		641.92	564.65
	Total		**641.92**	**564.65**

(8) Other information

Particulars			Amount
(i)	Gross Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	860.79
(ii)	Net Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	675.00
(iii)	Assets acquired in satisfaction of debt		-

42.2 Ratings assigned by credit rating agencies and migration of ratings during the year

Instruments	Credit rating agency	Rating Assigned	As on March 31, 2025	As on March 31, 2024
Bank Loan Long-term	CRISIL	BBB-/STABLE	5,000.00	2,500.00
Bank Loan Short-term	NA		-	-
Debentures	NA		-	-
Deposits	CRISIL	BBB-/STABLE	-	2,500.00

42.3 Securitization/ Assignment during the year:

a. There are no SPVs sponsored by the Company.

b. The Company has not transferred any stressed loans during the year ended March 31, 2025.

c. The Company has not transferred any Special Mention Account (SMA) and loan not in default.

d. The Company has entered into assignment transaction in which it has transferred the assets to the buyer, during the current year. As per the terms of this deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred by the Company. The table below summarises the carrying amount of the recognised financial assets:

Particulars	As on March 31, 2025	As on March 31, 2024
(i) No. of accounts	9,133	3,352
(ii) Aggregate value (net of provisions) of accounts assigned	7,474.71	2,587.79
(iii) Aggregate consideration	7,474.71	2,587.79
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

e. During the year, the Company has purchased loans by way of direct assignment and continues to hold the loans acruired in preceeding financial years. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the Company, the assets have been recognised in the Company's Balance Sheet. The table below summarises the carrying amount of the recognised financial assets:

Particulars	As on March 31, 2025	As on March 31, 2024
Direct assignment		
Carrying amount of purchased assets measured at amortised cost	542.92	305.18

f. The company has neither purchased nor sold any non-performing financial assets from/to any NBFC during the current year as well as previous year.

42.4 Exposure to real estate sector

a. Exposure to Real Estate Sector	As on March 31, 2025	As on March 31, 2024
Category		
(a) Direct exposure		
(i) Residential mortgages	2,931.77	3,382.57
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;		
(ii) Commercial real estate	737.36	845.64
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;		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
A Residential,	-	-
B Commercial Real Estate.	-	-
Total Exposure to Real Estate Sector	**3,669.13**	**4,228.21**

42.5 Exposure to capital market

Particulars	As on March 31, 2025	As on March 31, 2024
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	26.62	35.76
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**26.62**	**35.76**

42.6 Sectoral Exposure

Sectors	As at March 31, 2025			As at March 31, 2024		
	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	18,678.64	607.86	3.25%	10,226.50	394.85	3.86%
Loans against Property	3,669.13	252.93	6.89%	4,289.75	28.96	0.68%
Others	542.92	-	0.00%	305.18	-	0.00%

42.7 Disclosure of customer complaints

Grounds of complaints (i.e. complaints related to)	Number of Compliants 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
	Current Year				
No Objection Certificate	0	2	-	0	0
High Rate of Interest	0	1	-	0	0
To refund the login fees	0	1	-	0	0
Total	**0**	**4**	**-**	**0**	**0**

42.8 Disclosure of Penalties imposed by RBI and other regulator

No penalties have been levied by any regulator on the Company for the year ended March 31, 2025.

42.9 Remuneration of Directors

Remuneration of Directors has been disclosed in Note No. 35.

42.10 Registration obtained from financial sector regulators

a. From RBI – vide registration number - B-06.00124
b. From Ministry of Corporate Affairs – L65110PB1992PLC012488
c. From Metropolitian Stock Exchange - INE405N01016
The company has not obtained registration from any other financial sector regulator.

42.11 The Company has not entered into derivatives for risk management purposes. Hence, disclosures on "Risk Exposure in Derivatives" and "Exchange Traded Interest Rate Derivatives" are not applicable.

43 Liquidity risk

Disclosure on Liquidity risk for the year ended March 31, 2025 pursuant to RBI circular dated November 04, 2019 on Liquidity risk management framework for Non-Banking Financial Companies and Core Investment Companies

i. Funding concentration based on significant counterparty (both deposits and borrowings)

Number of significant counterparties	Amount	% of Total deposits	% of Total liabilities
20	**17,009.28**	**498%**	**71%**

ii. Top 20 large deposits

Particulars	As at March 31, 2025
Total amount of top 20 large deposits	3,388.38
Percentage of amount of top 20 large deposits to total deposits	99.27%

iii. Top 10 borrowings

Particulars	As at March 31, 2025
Total amount of top 10 borrowings	10,339.14
Percentage of amount of top 10 borrowings to total borrowings	81.21%

iv. Funding concentration based on significant instrument/product

Particulars	Amount	% of Total liabilities
Redeemable non-convertible debentures (secured)	4,088.94	17.13%
Term loan from corporates	8,537.12	35.75%
Term loan from banks	4,194.35	17.57%
Loans repayable on demand from banks (Overdraft from banks)	-	0%
Deposits from corporates and related parties	3,413.24	14.30%
Public deposits	-	0%

M/S CREDIFIN LIMITED
(formerly known as PHF Leasing Ltd.)
CIN: L65110PB1992PLC012488
Notes forming part of the Financial Statements for the year ended 31st March 2025
(All amounts in Rupees in lacs, unless otherwise stated)

44 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020 pertaining to Asset classification as perRBI Norms:

		For the year ended March 31, 2025					For the year ended March 31, 2024				
Asset Classification as per RBI Norms	**Asset Classification as per Ind AS 109**	**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**
Performing assets											
Standard	Stage 1	20,165.90	103.86	20,062.04	50.41	53.45	12,499.88	58.01	12,441.87	31.25	26.76
	Stage 2	1,864.00	29.13	1,834.88	4.66	24.47	1834.22	23.17	1811.06	4.59	18.59
Subtotal		**22,029.90**	**132.99**	**21,896.91**	**55.07**	**77.91**	**14,334.10**	**81.18**	**14,252.92**	**35.84**	**45.35**
Non-Performing Assets (NPA)											
Substandard	Stage 3	848.90	181.66	667.23	165.43	16.24	423.81	105.95	317.86	64.48	41.47
Doubtful - up to 1 year	Stage 3	11.89	4.12	7.77	5.23	(1.11)	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-	-	-	-	-	-
Subtotal for doubtful		**11.89**	**4.12**	**7.77**	**5.23**	**(1.11)**	**-**	**-**	**-**	**-**	**-**
Loss	Stage 3	-	-	-	-	-	-	-	-	-	-
Subtotal for NPA		**860.79**	**185.78**	**675.00**	**170.65**	**15.12**	**423.81**	**105.95**	**317.86**	**64.48**	**41.47**
Total	Stage 1	**20,165.90**	**103.86**	**20,062.04**	**50.41**	**53.45**	**12,499.88**	**58.01**	**12,441.87**	**31.25**	**26.76**
	Stage 2	**1,864.00**	**29.13**	**1,834.88**	**4.66**	**24.47**	**1834.22**	**23.17**	**1811.06**	**4.59**	**18.59**
	Stage 3	**860.79**	**185.78**	**675.00**	**170.65**	**15.12**	**423.81**	**105.95**	**317.86**	**64.48**	**41.47**
		22,890.69	**318.77**	**22,571.92**	**225.73**	**93.04**	**14,757.91**	**187.14**	**14,570.78**	**100.31**	**86.82**

45 The Company had purchased 12 Bonds of Madhya Pradesh State Electricity bonds 1999 worth Rs. 1,200,000 on January 13, 2000 whose maturity period expired on 1 January 13, 2007. During the year 2014-15, the Company received Rs. 1,626,786 which pertains to principal sum Rs. 1,200,000 and Rs. 426,786 towards interest calculated @ 7% upto March 31, 2005 and @ 8% for the subsequent period from April 1, 2005 to January 13, 2007 as against contracted rate of 13.70%. The Company has filed recovery Suit against Madhya Pradesh State Electricity Board in Delhi District Court for the recovery of differential interest as per Contract rate and as remitted by the Madhya Pradesh State Electricity Board. The Company has also filed claim of interest for the delayed receipt of principal & interest.
After the balance sheet date, the Delhi District Court passed the order dated April 3rd, 2025 in favour of the company regarding the claim of interest for the delayed receipt of principal & interest in which the total amount receivable by the company was Rs. 37,08,077. This excess income receivable Rs. 31,73,357 is considered as an income as per Ind AS-10 Events after the reporting period in this period.

46 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules there under are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

47 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 2025 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.

48 Capital adequacy ratio

Ratio	Numerator	Denominator	As on March 31, 2025	As on March 31, 2024	% Variance	Reason for Variance
CRAR (Tier I Capital+Tier II Capital)/ Total Risk Weighted Assets %	7,020.85	25,045.15	28.03%	30.23%	-7.25%	-
CRAR - Tier I capital (Tier I Capital/ Total Risk Weighted Assets) %	5,849.65	25,045.15	23.36%	24.18%	-3.40%	-
CRAR - Tier II capital (Tier II Capital/ Total Risk Weighted Assets) %	1,171.20	25,045.15	4.68%	6.05%	-22.66%	-
LCR*			NA			

"Capital adequacy ratio", "Tier I capital", "Tier II capital", "Owned fund" are calculated as defined in Master Direction - Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023, as amended and notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020.

*Liquidity Coverage Ratio (LCR) is not applicable to the company since the asset size of the company is less than Rs. 5,000 Crores

49 Utilisation of borrowed funds and share premium

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.

50 Derecognition of financial assets

During the year ended 31 March 2025, 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 31 March 2025	For the year ended 31 March 2024
Carrying amount of derecognised financial assets	6,784.57	1,784.18
Gain on derecognition of financial assets	877.12	201.10

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.

For GSA & Associates LLP
Chartered Accountants
Firm Registration No.: 000257N/N500339

Sd/-
Tanuj Chugh
Partner
Membership No: 529619
Place: New Delhi
Date: April 25, 2025

For and on behalf of the Board of Directors of
Credifin Limited (Formerly known as PHF Leasing Limited)
CIN: L65110PB1992PLC012488

Sd/-
Vijay Kumar Sareen
Whole Time Director
DIN:07978240
Place: Gurugram
Date: April 25, 2025

Sd/-
Meghal Gupta
Director
DIN:09179500
Place: Jalandhar
Date: April 25, 2025

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kuldip Bhandari
Chief Finance officer
Place: Jalandhar
Date: April 25, 2025

Sd/-
Kumar Shalya Gupta
Chief Executive Officer
Place: Jalandhar
Date: April 25, 2025

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 33RD ANNUAL GENERAL MEETING OF THE MEMBERS OF CREDIFIN LIMITED (FORMERLY KNOWN AS PHF LEASING LIMITED) ("THE COMPANY") WILL BE HELD ON FRIDAY, THE 19TH DAY OF SEPTEMBER, 2025 AT 11.30 A.M. THROUGH VIDEO CONFERENCING ('VC')/ OTHER AUDIO-VISUAL MEANS ('OAVM') FACILITY TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. **Adoption of Audited Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2025 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, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. **Appointment of Mr. Vijay Kumar Sareen (DIN: 07978240) as a Whole Time Director, liable to retire by rotation**

To appoint a Director in place of Mr. Vijay Kumar Sareen (DIN: 07978240) 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 with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Vijay Kumar Sareen (DIN: 07978240), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation."

3. **Ratification of appointment of Statutory Auditors for the financial year 2025-26**

To ratify the appointment of Statutory Auditors for the Financial year 2025-26 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** in accordance with the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India (RBI) vide No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27 April, 2021 ("RBI Guidelines") and pursuant to the provisions of Sections 139,141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s GSA & Associates LLP, Chartered Accountants (FRN: 000257N/ N500339), be and is hereby ratified as Statutory Auditors of the Company for the Financial Year 2025-2026 till the conclusion of 34th Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors.

SPECIAL BUSINESS

4. **To appoint Mr. Sunil Kumar Mehta (DIN: 10910371) as a Non-Executive Independent Director of the Company**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), RBI guidelines (to the extent applicable) and applicable provisions of Articles of Association of the Company, Mr. Sunil Kumar Mehta (DIN: 10910371) who was appointed as an Additional Director (Non-Executive) in the capacity of an Independent Director of the Company with effect from March 06, 2025 and who holds office only upto this Annual General Meeting in terms of section 161 of the Act, and who has submitted a declaration that he meets the criteria for independence as provided under the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Independent Director and in accordance with the recommendation of the Nomination & Remuneration Committee and the Board of Directors, be and is hereby appointed as an Independent Director of the Company to hold office for a first term of 5 (five) consecutive years i.e. upto March 05, 2030, not liable to retire by rotation.

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."

5. **To re-appoint Mr. Ashwani Kumar Jindal (DIN: 00670384) 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, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and the Articles of Association of the company, Ms. Ashwani Kumar Jindal (holding DIN: 00670384), who has submitted a declaration that he meets the criteria for independence as provided under the Act and in respect of whom the Company has received a notice in writing proposing his r 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 March 7, 2025 till March 6, 2030 (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. **To regularize the Appointment of Mr. Kumar Shalya Gupta (DIN: 07553217) as a Director of the**

Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Kumar Shalya Gupta (DIN: 07553217)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from **August 4, 2025** and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and has been recommended by Nomination and Remuneration Committee, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

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."

7. Appointment of Mr. Kumar Shalya Gupta (DIN: 07553217) as a Managing Director and CEO of the Company and fixing remuneration

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable), and RBI guidelines (to the extent applicable) and subject to the applicable provisions of Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Kumar Shalya Gupta as a Managing Director and CEO of the Company for a period of 5 years with effect from August 04, 2025 and not liable to retire by rotation on such terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting, with the authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit from time to time and within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed.

RESOLVED FURTHER THAT Pursuant to provisions of Section 196, 197, 198 read with Schedule V & other applicable provisions if any of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and such other approvals, permission and sanctions of such other authorities and /or agencies as may be required in this regard and subject to provisions of Articles of Association, and upon the recommendation of Nomination & Remuneration Committee and Board of Directors, the approval of Members of the Company be and is hereby accorded for the payment of following remuneration to Mr. Kumar Shalya Gupta as a Managing Director of the Company for the period of 5 years with effect from August 04, 2025 in the scale of 3,75,000/- to 10,00,0000/- per month along with allowances, perquisites and variable pay as below:

1.	Basic Salary per month in a scale 375000/- to 10,00000/-
2.	Rent free Accommodation or Reimbursement of leased Rent or equivlent HRA per month upto 40% of the Basic Pay.
3.	Car Lease reimbursement for official use per month in the name of self or third party maximum upto Rs. 55000/-
4.	Employers contribution to Provident fund subject to maximum of 12% of the Basic Pay
5.	Encashment of earned leaves at the end of each year, leaves to be granted as per the policy of the Company
6.	Gratuity as per the policy of the Company
7.	ESOPs as per the approved ESOP scheme applicable to employees of the Company
8.	Reimbursement of Club expenses subject to maximum of Rs. 20000/- per Annum (official expenses shall be billed to company)
9.	Leave Travel Concession once in a year for self and family in India or abroad
10.	Reimbursement of premium on Term life policy not exceeding Rs. 5.00 Crores and Medical Insurance Self and family sum assured not exceeding Rs. 1 Crore per annum
11.	Car for official and personal use upto 3000 CC
12.	Driver for official and personal use
13.	Domestic Servant
14.	Reimbursement of expenses incurred by him on account of the business of the Company in accordance of the Company's policy.
15.	Besides Fixed pay, Mr. Kumar Shalya Gupta shall be paid Variable pay as per the Nomination and Remuneration Policy and Compensation Policy subject to compliance of RBI Directions.
16.	Nomination and Remuneration Committee may review the Components of Salary within the above limits.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the tenure of services of Mr. Kumar Shalya Gupta, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013 and the remuneration shall be restricted to 3 years as against 5 years.

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."

8. To Increase the Borrowing Powers of the Board of Directors under Sections 180(1)(c) of the Companies Act, 2013

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

"**RESOLVED THAT** in supersession of the special resolution passed by the Members of the Company at

the Annual General Meeting of the Company held on September 27, 2019 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other enabling provisions if any, and the Articles of Association of the Company, the consent of Members of the Company be and is hereby accorded to the Board of Directors ("the Board") to borrow any sum(s) of money, from time to time, including by way of issuance of debentures/bonds (including FCCBs), at their discretion from bank(s), financial institution(s), any other lending institution(s) or any other person(s) on such security and on such terms and conditions as may be considered suitable by the Board of Directors up to an outstanding limit not exceeding an aggregate of Rs. 1,000 Crore (Rupees One Thousand Crore Only), notwithstanding that the money to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including any Committee of the Board) be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

9. 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

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

"**RESOLVED THAT** in supersession of the resolution passed by shareholders of the Company through Annual General Meeting (AGM) held on September 27, 2019 and pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other enabling provisions if any, and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors ("the Board") to hypothecate/mortgage/ pledge and/or create charge on all or any immovable and movable properties of the Company both present and future or the whole or substantially the whole of the undertaking(s) of the Company in favour of the Banks/ Financial Institutions/ Companies and trustees for the holders of Debentures/ Bonds/ other instruments and/or any issue of Non-Convertible Debentures and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds (including FCCBs), and/or any other Non-Convertible and/or other Partly/Fully Convertible instruments/securities or for securing any loans of the Company or any other Group Companies or obtaining any other facility, together with interest, costs, charges, expenses and any other monies payable by the Company within the overall borrowing powers delegated to the Board of Directors from time to time pursuant to section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including any Committee of the Board) be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

10. To appoint M/s Harsh Goyal & Associates, Company Secretaries as the Secretarial Auditor of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendments thereto for the time being in force), Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, including any statutory modification(s), amendments(s) or rectification(s) thereof for the time being in force and subject to all other laws, regulations, provisions and guidelines applicable and upon the recommendation of the Audit Committee, M/s Harsh Goyal & Associates, Practicing Company Secretaries be and are hereby appointed as the Secretarial Auditors of the Company to conduct the secretarial audit for the financial years 2025-2026 to 2029-2030.

RESOLVED FURTHER THAT Mr. Vijay Kumar Sareen, Whole-Time Director of the Company be and is hereby authorized to finalize the fees and terms and conditions as may be mutually agreed upon with the Secretarial Auditors.

RESOLVED FURTHER THAT Ms. Shikha Kapoor, Company Secretary and Compliance Officer of the Company be and is hereby authorized to intimate the appointment of Secretarial Auditor to the concerned stock exchange and any other regulatory authority as may be required.

RESOLVED FURTHER THAT Ms. Shikha Kapoor, Company Secretary and Compliance Officer of the Company be and is hereby further authorized to do all such acts, deeds and things as may be necessary or incidental in this connection."

By orders of the Board
For CREDIFIN LIMITED
(Formerly Known as PHF Leasing Limited)

Date: August 27, 2025
Place: Jalandhar

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Address: H. No. 65, Paras Estate
Jalandhar-144008, Punjab, India

NOTES:

1. Pursuant to the General Circular No. 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, Circular No. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024, issued by Ministry of Corporate Affairs (collectively referred to as "MCA Circulars"), and the Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/ HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), companies are permitted to hold the

Annual General Meeting (AGM Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in accordance with the MCA and SEBI Circulars, provisions of the Companies Act, 2013, the AGM of the Company is being held through VC or OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), setting out the material facts concerning ordinary business in respect of Item No.3 and special businesses in respect of Item No. 4 , Item No. 5, Item No. 6, Item No. 7 and Item No. 8 as set out above is annexed hereto.

3. Details pursuant to Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India and pursuant to the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of re-appointment of director retiring by rotation are provided in the "Annexure" to the Notice.

4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.

5. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed with this Notice.

6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend this 33rd AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be e-mailed to the scrutinizer at e-mail id cssagrikajayee@gmail.com.

7. The Company's Registrar and Transfer Agent for its Share Registry work (physical and electronic) is Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi – 110020, India.

8. Participation of members through VC/ OAVM facility will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

Procedure for Inspection of Documents:

9. 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. September 19, 2025. Members seeking to inspect such documents can send an email to compliance@credif.in

10. 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 September 12, 2025 by sending e-mail

on compliance@credif.in. The same will be replied by the Company suitably.

Dispatch of Annual Report through Electronic Mode:

11. In compliance with the MCA Circular no. 10/2022 dated December 28, 2022 and SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Notice of the AGM along with the Annual Report2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.credif.in and on the website of Company's Registrar and Transfer Agent, Skyline Financial Services at www.skylinerta.com. The Notice can also be accessed from the website of the stock exchange, Metropolitan Stock Exchange of India (MSEI) at www.msei.in and on the website of the NSDL (agency for providing the Remote e-Voting facility) i.e. www.evotingnsdl.com.

12. 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. Shikha Kapoor, Company Secretary at her email id compliance@credif.in or to Registrar & Share Transfer Agent, M/s Skyline Financial Services Private Limited at its e-mail id 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 forthe purpose of obtaining this notice, shareholders may register their email ids with the Company by writing to Ms. Shikha Kapoor, Company Secretary of the Company, at her email-id compliance@credif.in.

13. 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 August 22, 2025. 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

14. 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 electronicmeans ("e-voting"). Members may cast their votes remotely, using an electronic voting system onthe 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	**:**	**September 16, 2025 at 9.00 A.M.**
End of remote e-voting	**:**	**September 18, 2025 at 5.00 P.M.**

The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whosenames appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 12, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 12, 2025.

(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, September 12, 2025, 2025, such person may obtain the user id and password by mailing to the Company at compliance@credif.in or RTA at admin@skylinerta.com.

(iii) The Company has appointed Ms. Sagrika Jayee (M. No: 61678), Practicing Company Secretary, as the 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

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, September 16, 2025 at 09:00 A.M. and ends on Thursday, September 18, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 12, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 12, 2025.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat

account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts 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. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website

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

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

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

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

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user 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.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and 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 allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to compliance@credif.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in

the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to at 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

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).

    - 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 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 ~~EGM/~~AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the ~~EGM~~/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 ~~EGM~~/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the ~~EGM~~/AGM. However, they will not be eligible to vote at the ~~EGM~~/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 ~~EGM~~/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the ~~EGM~~/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. The same will be replied by the company suitably.

Other Information:

15. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 has provided the norms for furnishing PAN,KYC details and Nomination by holders of physical securities. In case of physical shareholders who have not updated their KYC details may please submit Form ISR-1, Form ISR-2 and Form No. SH-13/Form ISR 3. Thelink for downloading the forms is available on the Company's website www.credif.in.

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website www.credif.in.

17. 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.

18. 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.

19. 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.

20. SEBI has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address,mobile number, bank account details) and nomination details by holders of securities. With effect from January 01 2023, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. In case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s) effective from April 01, 2024. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.phfleasing.com.

21. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialized form.

22. 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to ordinary business and special businesses mentioned in the accompanying Notice of Annual General Meeting:

Item No. 3

Object and Purpose:

Pursuant to the RBI guidelines, the appointment of Statutory Auditors is required to be ratified every year subject to the Auditor's firms satisfying the eligibility norms each year. The Company had appointed M/s GSA & Associates LLP, Chartered Accountants (FRN: 000257N / N500339) as Statutory Auditors on September 23, 2021. As the Statutory Auditor firm fulfills the eligibility criteria, thus, based on the recommendation of the Audit Committee, the Board recommends to the members for the ratification of appointment of M/s GSA & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company until the conclusion of ensuring Annual General Meeting.

The said ratification of appointment of M/s GSA & Associates LLP, Chartered Accountants shall be pursuant to applicable provisions of the RBI Guidelines.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the said Resolution.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of appointment of the Statutory Auditors.

Item No.4

Object and Purpose:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Sunil Kumar Mehta as an Additional Director-Independent of the Company with effect from March 06, 2025 who holds office upto the date of this Annual General Meeting. Mr. Mehta shall hold the office as an Independent Director upto March 5, 2030.

The Company has received necessary declaration(s) from Mr. Sunil Kumar Mehta confirming that he meets the criteria as prescribed under the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (Listing Regulations). Further, Mr. Sunil Kumar Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director. Mr. Sunil Kumar Mehta confirmed that he satisfies the fit and proper criteria as prescribed under Non-Banking Financial Companies (NBFCs) – Corporate Governance (Reserve Bank) Directions, 2015. Mr. Sunil Kumar Mehta also confirmed that he is not debarred from holding the office of director by virtue of any order from any regulatory Board or any such authority. A brief profile and other details required the Companies Act, 2013 and Secretarial Standards-2 of The Institute of the Company Secretaries of India and Regulation 36(3) of SEBI LODR are given below in Annexure. The terms and conditions of his 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.

The Company has also received candidature letter under Section 160 of the Act. The Nomination and Remuneration Committee has also recommended his appointment as an Independent Director. In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Sunil Kumar Mehta as an Independent Director is now being placed before the Members for their approval. A copy of appointment letter setting out terms and conditions of his appointment and all other documents referred to in the accompanying Notice and this Statement are available for inspection

through electronic mode.

In the opinion of the Board, Mr. Sunil Kumar Mehta possesses appropriate skills, experience and knowledge and fulfils the conditions for appointment as Independent Director as specified in the Act and that he is independent of the management. The Board of Directors has further expressed its satisfaction over the Fit and Proper Status of the appointee as per the Guidelines issued by the RBI.

Except Mr. Sunil Kumar Mehta himself, being appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice.

Item No. 5

Object and Purpose:

Pursuant to the provisions of section 149, 150, 152, schedule IV of the Companies Act, 2013 ("the Act"), Mr. Ashwani Kumar Jindal (holding DIN: 00670384) was appointed as an Independent Director of the company for a term of five years effective March 07, 2020 and his term expires on March 06, 2025. Further, pursuant to section 149 of the Act, an independent director shall be eligible for re-appointment for a second term of upto 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 Mr. Ashwani Kumar Jindal candidature for the office of director. The Nomination and Remuneration Committee has also recommended his appointment as an Independent Director for second Term. Details of his 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. Mr. Ashwani Kumar Jindal has given a declaration to the board that he 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, Mr. Ashwani Kumar Jindal 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 his continued association as independent director would be of immense benefit to the company. Accordingly, the board recommends the re-appointment of Mr. Jindal as an independent director for a second term of five consecutive years commencing from March 07, 2025 till March 06, 2030 (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 Mr. Ashwani Kumar Jindal is being placed before the members for their approval. The terms and conditions of his 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.

Item No. 6

Object and Purpose:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Kumar Shalya Gupta as an Additional Director of the Company with effect from August 4, 2025 who holds office upto the date of this Annual General Meeting.

The Company has received necessary declaration(s) from Mr. Kumar Shalya Gupta confirming that he meets the criteria as prescribed under the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (Listing Regulations). Further, Mr. Gupta is not disqualified from

being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director. Mr. Kumar Shalya Gupta has confirmed that he satisfies the fit and proper criteria as prescribed under Non-Banking Financial Companies (NBFCs) – Corporate Governance (Reserve Bank) Directions, 2015. Mr. Gupta also confirmed that he is not debarred from holding the office of director by virtue of any order from any regulatory Board or any such authority. A brief profile and other details required the Companies Act, 2013 and Secretarial Standards-2 of The Institute of the Company Secretaries of India and Regulation 36(3) of SEBI LODR are given below in Annexure. The terms and conditions of his 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.

The Company has also received candidature letter under Section 160 of the Act. The Nomination and Remuneration Committee has also recommended his appointment as a Director. In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Kumar Shalya Gupta is now being placed before the Members as a Director for their approval. A copy of appointment letter setting out terms and conditions of his appointment and all other documents referred to in the accompanying Notice and this Statement are available for inspection through electronic mode.

In the opinion of the Board, Mr. Kumar Shalya Gupta possesses appropriate skills, experience and knowledge and fulfils the conditions for appointment as Director as specified in the Act. The Board of Directors has further expressed its satisfaction over the Fit and Proper Status of the appointee as per the Guidelines issued by the RBI.

Except Mr. Kumar Shalya Gupta himself, being appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise) in the proposed resolution.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 6 of the Notice.

Item No. 7

Object and Purpose:

Pursuant to Regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Sections 196, 197 and other applicable provisions of the Companies Act, 2013, approval of the shareholders is being sought for the appointment of Mr. Kumar Shalya Gupta as the Managing Director and Chief Executive Officer (CEO) of CrediFin Limited (formerly PHF Leasing Ltd).

1. Background & Leadership Impact

Mr. Kumar Shalya Gupta has been serving as the Chief Executive Officer (CEO) of CrediFin Limited and has been instrumental in transforming the company from a small regional NBFC into a fast-growing, multi-state financial institution.

- Under his leadership, the Company's Assets Under Management (AUM) has grown from ₹10.28 crore in FY 2019–20 to over ₹350 crore in FY 2024–25, reflecting a compound annual growth rate (CAGR) of more than 80%.
- From operating in just 3 districts in Punjab, the Company has successfully expanded into 14 states and Union Territories, with more than 200 branches and field locations, over 700 employees, and a rapidly growing customer base.
- The Company has also been turned around from a loss-making entity into a profitable, growth-oriented NBFC with improved operational efficiency, enhanced systems and controls, and BBB- Stable credit rating from

CRISIL.

2. Appointment as Managing Director & CEO

Considering the above achievements and the strategic direction envisioned for the next phase of growth, the Board of Directors at its meeting held on August 4, 2025, approved the appointment of Mr. Kumar Shalya Gupta as Managing Director and CEO of the Company for a period of five years commencing from August 4, 2025, subject to the approval of shareholders at the ensuing Annual General Meeting.

3. Terms of Appointment

- Tenure: Five (5) years starting from August 4, 2025
- Designation: Managing Director and Chief Executive Officer (CEO)
- Remuneration: As set out in detail in the accompanying resolution and in compliance with the Companies Act, 2013 and Schedule V thereto
- Duties: Oversight of business strategy, risk management, profitability, expansion, and regulatory compliance

4. NRC and Board's Recommendation

The Nomination and Remuneration Committee and the Board of Directors considers the appointment of Mr. Kumar Shalya Gupta as the Managing Director and CEO to be in the best interest of the Company and recommends the resolution for approval by the shareholders.

5. Interest of Directors and KMPs

Except for Mr. Kumar Shalya Gupta, none of the Directors, Key Managerial Personnel (KMPs) or their relatives is in any way concerned or interested, financially or otherwise, in the said resolution.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his induction on the Board would be of immense benefit to the Company and it is desirable.

Additional information along with brief profile in respect of Mr. Kumar Shalya Gupta, pursuant to Regulation 36 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), is given at Annexure to this Notice.

Accordingly, consent of the Members of the Company is sought for passing a Special Resolution for approval of appointment of Mr. Kumar Shalya Gupta as Managing Director for the period of 5 Years and his remuneration for the period of 3 Years w.e.f. August 04, 2025 as set out in Item No. 6 of the Notice.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information

1. Nature of industry: The Company is a NBFC and is engaged in the activity of Financing**.**

2. Date of commencement of commercial production: The Company carries on financing business since its incorporation i.e. July 20, 1992

3. Financial performance based on given indicators: Standalone Financial Results:

(in lakhs)

PARTICULARS	**For period ended March 31, 2025 (Audited)**	**For period ended March 31, 2024 (Audited)**
Net Profit/(Loss) for the period	513.85	388.82
Net Worth	5847.42	4018.14
Earnings Per Share (In Rs.)	4.15	3.14

4. Foreign investments or collaborations, if any: NIL

II. Information about the Appointee

1. Background details: The background details and profile of Mr. Kumar Shalya Gupta is stated in Annexure to this Notice

2. Past remuneration: 4,48,000/- p.m.

3. Recognition and Awards: Mr. Kumar Shalya Gupta

Mr. Kumar Shalya Gupta, the current Managing Director and CEO of Credifin Limited, has emerged as one of the most influential leaders in the Indian NBFC sector. His strategic foresight, innovative thinking, and execution excellence have been recognized by numerous prestigious platforms and industry bodies.

1. Times of India 40 Under 40 – Punjab (2023)

Mr. Gupta was awarded by the Times of India as part of their prestigious '40 Under 40 – Punjab' initiative in 2023. This recognition celebrates young entrepreneurs who have demonstrated exceptional leadership, innovation, and impact in their respective fields. Mr. Gupta was honored for his transformational leadership at CrediFin, scaling the company's operations from a district-level NBFC to a pan-India financial institution.

2. Industry Thought Leadership

Mr. Gupta has been invited as a panelist and moderator at several national-level conclaves and summits, including:

- Technoviti Conclave & Awards 2025 – Panelist on Gen AI and Customer Analytics
- 19th NBFC & Fintech Conclave – Moderator on Customer Experience and Digital Transformation

3. Strategic Visionary in NBFC Operations

His views and strategic insights have been widely featured in leading financial publications including:

- IIFL Capital Services – Leaders Speak: Shared insights on electric vehicle financing and distribution models
- BFSI Network – Thought piece on financing models in Tier 2 & 3 cities and building scalable NBFC frameworks

These recognitions underscore Mr. Gupta's standing as a forward-thinking entrepreneur, committed to financial inclusion, digital transformation, and long-term value creation in the NBFC space.

4. Job profile and his suitability: Being a Managing Director, he is responsible for substantially the whole of the affairs of the company.

5. Remuneration Proposed: The details are provided in the respective resolution at Item No. 7.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Considering the size of the Company, the leadership profile of Mr. Kumar Shalya Gupta, the responsibilities entrusted to him, and prevailing industry benchmarks, the remuneration proposed is fair and commensurate with the compensation packages offered to managerial personnel in similar roles across comparable companies.

7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel or other director, if any: Apart from the remuneration including variable pay as stated above and he holds 337800 shares in the Company, Mr. Kumar Shalya Gupta does not have any other pecuniary relationship directly or indirectly with the company and its managerial personnel.

III. Other information:

1. Reasons of loss or inadequate profits:

At present, the Company is generating operational profits; however, the quantum of net profits, as calculated under Section 198 of the Companies Act, 2013, may not be adequate to meet the managerial remuneration thresholds prescribed under Section 197. This is primarily due to the following factors:

a) **Expansion and Diversification Phase**
The Company is currently undergoing a significant phase of growth, marked by geographical expansion and diversification of its product offerings and customer segments. As a Non-Banking Financial Company (NBFC), CrediFin Limited has made substantial investments in branch infrastructure, digital platforms, compliance systems, and manpower to support long-term scalability.

b) **Lag in Revenue Realisation due to AUM Growth**
The Company's Assets Under Management (AUM) has grown exponentially in recent years, reflecting a robust asset build-up. However, in the NBFC sector, revenue and profitability from such assets typically materialize over the medium-to-long term due to the tenure of loans, provisioning norms, and prudent risk recognition. This creates a temporary mismatch between business size and book profits.

c) **Remuneration Justification Under Schedule V**
In light of the above, and given the substantial responsibilities undertaken by the Managing Director & CEO in steering the organisation through this high-growth trajectory, the Board is of the opinion that the current remuneration is reasonable and justifiable. Since the Company may have inadequate profits for the purpose of Section 197 in the current financial year, the remuneration is proposed to be paid in accordance with the provisions of **Schedule V of the Companies Act, 2013**, which permits payment of managerial remuneration in such cases, subject to approval of shareholders and other prescribed conditions.

2. Steps taken or proposed to be taken for improvement:

The Board of Directors has proactively laid down a comprehensive Strategic Business Plan to enhance the operational performance, profitability, and long-term value of the Company. The following measures have been undertaken or are proposed as part of this improvement roadmap:

1. Entrustment of Execution to Managerial Leadership
The responsibility for implementing the strategic plan has been entrusted to the Managing Director and CEO, Mr. Kumar Shalya Gupta, who has demonstrated strong leadership in driving growth, operational discipline, and market expansion.

2. Geographical Expansion & Diversification
The Company is actively entering new geographies to enhance its loan book across diversified segments, thereby mitigating concentration risk and improving asset quality. It has expanded from a regional player to a pan-India NBFC operating in over 14 states and UTs.

3. Digital Transformation & Process Automation
Technology upgradation and automation have been introduced across critical business processes including loan origination, credit appraisal, disbursement, collections, and MIS. This is expected to improve operational efficiency, reduce turnaround time, and scale with minimal incremental cost.

4. Product Innovation & Customer-Centric Offerings
The Company is launching new lending products, including EV financing, Green Bharat Bonds, and MSME working capital products with a focus on underserved segments. This innovation will drive both revenue growth and social impact.

5. Strengthening Risk Management & Compliance Framework
Updated policies in line with RBI Scale-Based Regulations, including revised credit policies, ALM management protocols, internal audit systems, and KYC/AML compliance, have been implemented to ensure regulatory adherence and sustainability.

6. Focus on Capital Optimization and Strategic Alliances
Efforts are underway to raise low-cost, long-tenure capital through instruments like Green Bonds, and to build strategic alliances with fintechs and digital partners to widen customer reach and reduce cost of acquisition.
7. Performance Monitoring and KPIs
A robust internal framework for monitoring performance indicators (AUM growth, portfolio quality, NIM, ROA, ROE) has been introduced to guide management decisions and trigger course correction as required.
This multi-pronged approach, under the supervision of the Board and execution by the MD & CEO, is aimed at placing the Company on a trajectory of sustainable and scalable growth. The Board is confident that these initiatives will lead to enhanced profitability in the near term and create long-term stakeholder value.

3. Expected increase in productivity and profits in measurable terms: The business is proposed to be increased by more than 40% and the Profits by more than 50% in the current fiscal 2025-26 and further also the same has been planned to increased substantially as per the approved business plan. However, the Business plan may be reviewed by the Board on yearly basis.

IV. Disclosures

The requisite disclosures of remuneration package, etc. has been mentioned in the respective resolution read with the Explanatory Statement. There is no existence of severance fee or stock option in the case of the aforesaid managerial personnel.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Kumar Shalya Gupta are, in any way, concerned or interested (financially or otherwise) in the proposed resolution except to the extent of his shareholding in the Company.

The Board of Directors recommends this resolution for the approval of members as a Special Resolution.

Item No. 8

Object and Purpose:

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

In order to pursue opportunities that add value through both organic and inorganic means, it is crucial for the company to have access to specific funding options within a specified timeframe. This will enable the company to pursue, finance, and successfully complete transactions in the best interest of its stakeholders. Therefore, it is essential to obtain board and shareholder approval for increasing the borrowings limits outstanding at any point of time from Rs. 500 Crores to Rs.1,000 Crores under section 180(1)(c).

It would be in the interest of the Company to enhance the borrowing limits for the Board and authorize the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves and securities premium but that shall not to exceed Rs.1,000 Crores (Rupees One Thousand Crore Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The Board of Directors recommends the special resolution as set out in item no. 7 for approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

Item No. 9:

Object and Purpose:

The Members of the Company had at their Annual General Meeting held on September 27, 2019 and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 empowered the Board by way of special resolution to hypothecate/mortgage/pledge and/ or create charge on all or any immovable and movable properties of the Company both present and future or the whole or substantially the whole of the undertaking(s) of the Company, within the overall ceiling prescribed by the members of the Company in terms of Section 180 (1)(c) of the Companies Act, 2013. As the borrowing limit of Section 180 (1)(c) is sought to be enhanced, it is proposed to seek a fresh consent of the members in terms of Section 180(1)(a) of the Companies Act, 2013 to hypothecate/mortgage/pledge and/or create charge on all or any immovable and movable properties of the Company both present and future or the whole or substantially the whole of the undertaking(s) of the Company as and when necessary to secure the borrowings from time to time, within the overall ceiling approved by the Members of the Company, in terms of Section 180(1) (c) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

The Board of Directors recommends the special resolution as set out in item no. 8 for approval.

Item No. 10:

Object and Purpose:

The Board of Directors, upon recommendation of the Audit Committee and subject to approval of Members of the Company, has approved the appointment of M/s Harsh Goyal & Associates, Practicing Company Secretaries as the Secretarial Auditors to conduct the secretarial audit for the next five (5) financial years 2025-26 to 2029-30 as required under the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at a remuneration as may be mutually agreed between the Board and the Secretarial Auditor.

Therefore, the Members of the Company are requested to review and consider the appointment of M/s Harsh Goyal & Associates to fulfil the role of Secretarial Auditor in compliance with statutory obligations.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

The Board of Directors recommends the ordinary resolution as set out in item no. 9 for approval.

Date: August 27, 2025
Place: Jalandhar

By orders of the Board
For CREDIFIN LIMITED
(Formerly Known as PHF Leasing Limited)

Sd/-
Shikha Kapoor
Company Secretary
Membership No: A19146
Address: H. No. 65, Paras Estate
Jalandhar-144008, Punjab, India

Annexures to the Notice dated August 27, 2025

DETAILS OF THE DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF THE COMPANY (PURSUANT TO PARA 1.2.5 OF SECRETARIAL STANDARD 2 AND REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

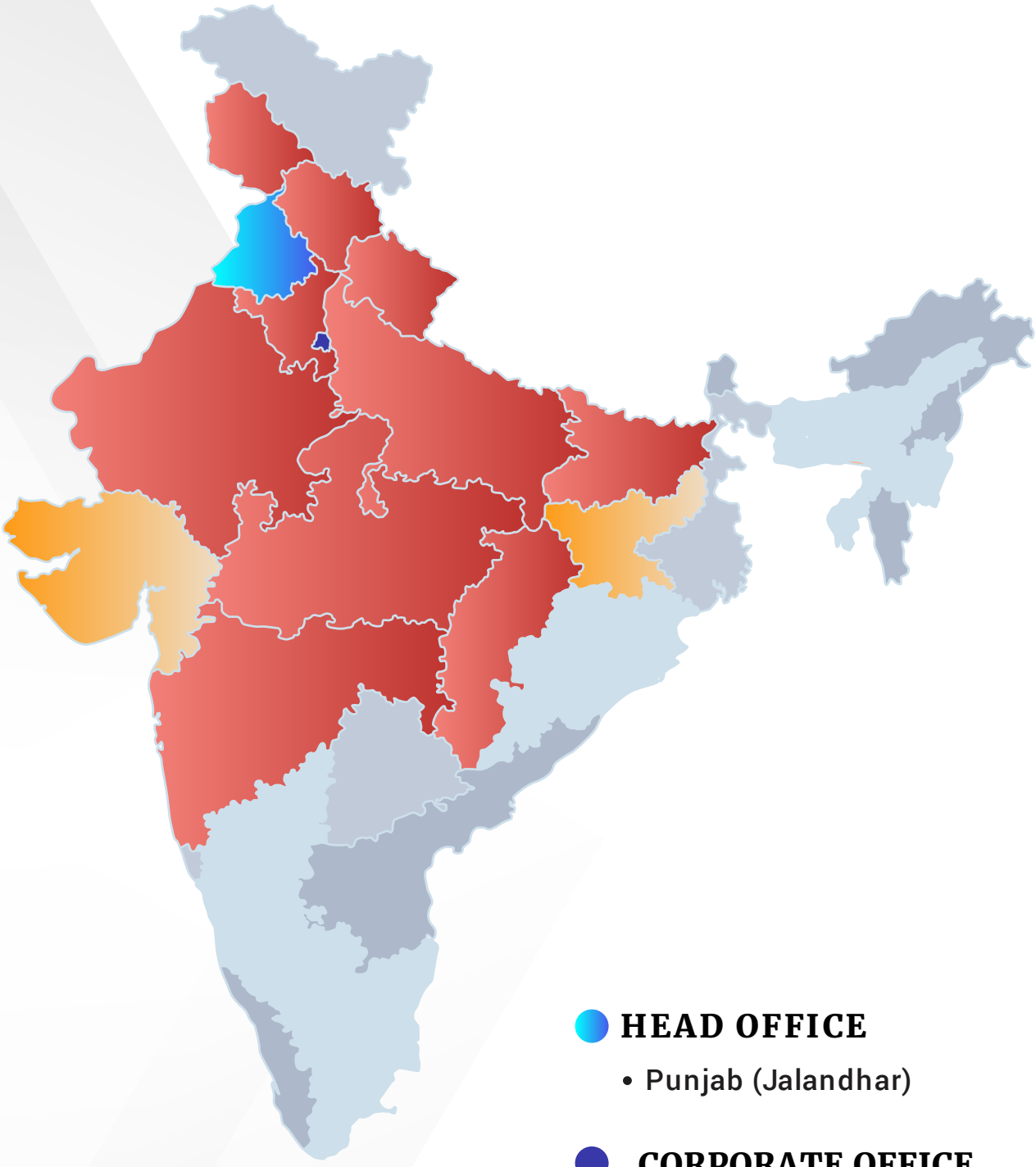
S. NO.	PARTICULARS	Mr. Vijay Kumar Sareen	Mr. Sunil Kumar Mehta	Mr. Ashwani Kumar Jindal	Mr. Kumar Shalya Gupta
1.	DIN	07978240	10910371	00670384	07553217
2.	Date of Appointmentat the Board	07/03/2020 (Appointed as an Additional Director)	06/03/2025	07/03/2020 (Appointed as an Additional Director)	18/04/2023 resigned on 27.08.23 and again appointed on 04/08/25
3.	Date of Birth	24/12/1959	14/11/1964	14/05/1973	18/11/1990
4.	Age	65 Years	60 Years	51 Years	34 Years
5.	Qualification	Post Graduate	B.Com, Chartered Accountant, Company Secretary-Intermediate	Chartered Accountant	B.com, Post-Graduation Diploma in Management, LL.B, Lean Six sigma Green Belt, Lean Six Sigma Black Belt,
6.	Experience (including expertisein Specific functional area) / Brief Resume	Mr. V.K. Sareen is Ex-Vice Principal and Head of PG Department at D.A.V. College, Jalandhar. After passing M.Com (with distinction) from University Business School, Punjab University, Chandigarh, he joined D.A.V. College in 1980. As a Project Director, conducted various seminars, workshops, delivering guest lectures on varying topics in different colleges, he has co chaired technical sessions, coordinated panel discussions. For detailed profile, please refer to Company's website: www.credif.in	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 & Budgeting, Bills & 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. He has been actively involved in tender finalization, 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,	Ashwani Kumar Jindal is a recognized member of the Institute of Chartered Accountants of India. He has an immense knowledgeable experience in Income Tax, GST and Auditing. Worked and dedicated for social cause and organize blood donation camps, Flag Hosting, Plantation and many more. He is Co-opted Member of Internal Audit Standard Board of ICAI for the year 2020-21 and remained co-opted member of mittee 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 2016-2019. 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	Kumar Shalya Gupta is a seasoned professional with over 10 years of experience in the financial, technology, and social sector. His expertise lies in creating innovative solutions that address complex business challenges. In the financial sector, he has worked with leading banks and financial institutions in various capacities, including risk management, investment banking, and corporate finance. He has deep understanding of financial instruments and markets and have advised clients on complex financial transactions. As a risk management professional, he worked with clients to

			ensuring operational efficiency and transparency. 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. He served as the Chief Financial Officer (CFO) of Coal India Limited from January 1, 2022, to February 12, 2024, overseeing the company's financial strategy, risk management, and corporate governance. Additionally, he held the position of Director (Finance) at Coal India Africana Ltd, a foreign subsidiary of Coal India, where he contributed to financial planning and international business operations. His vast experience includes active participation in Board Meetings, Audit Committees, and Risk Management Committees, ensuring sound financial oversight, regulatory compliance, and risk mitigation at the highest levels of Corporate Governance. For detailed profile, please refer to Company's website: www.credif.in	Chartered Accountants Association. He is also General Secretary of Income Tax & GST Bar Jalandhar. For detailed profile, please refer to Company's website: www.credif.in	develop risk management frameworks and policies that are tailored to their specific needs. His experience is in both credit and market risk management and have helped clients to assess and manage risks associated with various financial instruments. In corporate finance, he has worked with clients to develop and execute financing strategies that align with their overall business objectives. He has experience in raising debt and equity capital, and have helped clients to evaluate various financing options based on their risk appetite and financial capacity. In the technology sector, he has worked with various startups and established companies to create and implement digital strategies that drive growth and enhance customer experiences. His experience spans across various industries, including e-commerce, fin tech, and healthcare, where he has led cross-functional teams to deliver cutting-edge solutions. In the social sector, he has worked with

					non-profit organizations and social enterprises to create sustainable solutions that address social and environmental challenges. Overall, his ability to understand complex business challenges, develop innovative solutions, and lead cross- functional teams has been a key factor in my success. He is passionate about leveraging his experience and expertise to create meaningful impact and drive positive change. For detailed profile, please refer to Company's website: www.credif.in
7.	Terms and conditionsof appointment/ re-appointment	5 Years	5 Years as an Independent Director	5 Years as an Independent Director	5 years as Managing Director & CEO w.e.f 04/08/2025
8.	Remuneration sought to be paid	As per the terms & conditions of the Board	He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013	He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013	As per the Resolution No. 7 to the Notice of ensuring AGM
9.	Remuneration Last drawn	Rs. 16,07,000/- per Annum	NIL	NIL	Rs. 4,48,000/- per month
10.	Shareholding in the Company as	64930 shares	NIL	75000 shares	337800 shares

	onMarch 31, 2025				
11.	Relationship with Directors, managersand Key managerial Personnel	Not related to any Director, managers and Key managerial Personnel	Not related to any Director, Managers and Key Managerial Personnel	Not related to any Director, Managers and Key Managerial Personnel	Not related to any Director, Managers and Key Managerial Personnel
12.	No. of Board Meetings attended during the year (2024-2025)	06	NIL	06	06
13.	Directorships of other Boards as on March 31,2025	NIL	NIL	• Midland Microfin Limited (Debt Listed Entity) • Exclusive Leasing and Finance Private Limited	NIL
14.	Membership/ Chairmanship of committees of other Boards	NIL	NIL	Membership in Audit Committee, Stakeholders Relationship Committee, Risk Management Committee and Cahirmanship in Nomination and Remuneration Committee	NIL
15.	Details of resignation from listed entities inpast three years	NIL	NIL	NIL	Resigned as Managing Director from PHF Leasing Limited dated 27-08-2023
16.	In case of independent directors, the skills and capabilities requiredfor the role and the manner in which the proposed person meets such requirements	N.A.	The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/ competencies, in the context of its business and sector for it to function effectively. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Sunil Kumar Mehta and concluded that Mr. Mehta possess the relevant skill and capabilities to discharge the role of Independent Directors.	The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/ competencies, in the context of its business and sector for it to function effectively. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Ashwani Kumar Jindal and concluded that Mr. Jindal possess the relevant skill and capabilities to discharge the role of Independent	N.A.

				Directors.	



LIVE LOCATIONS

- Haryana
- Chhattisgarh
- Uttarakhand
- Uttar Pradesh
- Madhya Pradesh
- Himachal Pradesh
- Bihar
- Jammu
- Rajasthan
- Chandigarh
- Maharashtra

HEAD OFFICE

- Punjab (Jalandhar)

CORPORATE OFFICE

- Delhi NCR

UPCOMING LOCATIONS

- Gujarat
- Jharkhand

Credifin Limited

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