COMFORT
FINCAP

Ref No: CFL/SEC/2025-26/24

Date: August 20, 2025

To,
The Manager,
Department of Corporate Services,
BSE Limited,
Phirozee Jeejeeboy Towers,
Dalal Street, Fort,
Mumbai - 400 001
Scrip Code: 535267

Dear Sir/Madam,

Subject: Notice of 43rd Annual General Meeting ("AGM") and Annual Report for the financial year 2024-25 of Comfort Fincap Limited ("the Company").

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the Annual Report for the financial year 2024-25 along with the Notice convening 43rd AGM of the Company. The Annual Report along with Notice is being sent electronically to those shareholders whose email IDs are registered with the Company / Registrar and Share Transfer Agent ("RTA") and the Depositories.

Further, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company will send a letter to shareholders whose email addresses are not registered with the Company or Depository Participants (DPs), providing the web link, including the exact path, to access the Annual Report 2024–25 on the Company's website.

The aforesaid Annual Report along with the Notice is also available on the website of the Company at https://www.comfortfincap.com/investor-relations and on the website of National Securities Depository Limited (Agency for providing E-Voting Services) at https://www.evoting.nsdl.com.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,
For Comfort Fincap Limited

ANKUR AGRAWAL
Digitally signed by ANKUR AGRAWAL
Date: 2025.08.20 18:12:47 +05'30'

Ankur Agrawal
Director
DIN: 06408167

Encl: A/a

POWERING POSSIBILITIES

TRUST • TECH • TRANSFORMATION

Comfort Fincap Limited

43rd Annual Report | 2024-25

Forward Looking Statement

Certain statements in this report regarding Comfort Fincap Limited's future growth prospects are forward-looking statements. These statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied. Factors that could affect the company's performance include fluctuations in earnings, our ability to effectively manage growth, evolving regulations in the financial and infrastructure sectors, intense competition, interest rate volatility, and economic conditions impacting credit demand and real estate investments. Additionally, risks arise from our capacity to attract and retain skilled professionals, manage operational and compliance challenges, secure financing as planned, and adapt to changes in government policies. Comfort Fincap Limited undertakes no obligation to update any forward-looking statements made from time to time, whether as a result of new information, future events, or otherwise.

Scope of the Report

At Comfort Fincap Limited (CFL), we embarked on our 43rd Year in FY 24-25 as part of our commitment to transparency, ethical practices, and upholding the highest standards of corporate governance. As we continue to evolve, our Annual Report offers a comprehensive view of how we create and sustain long-term value for our stakeholders. In keeping with our ongoing commitment, the report incorporates key elements from our Annual Report while also providing a more accessible and reader-friendly format.

At CFL, we believe in the interconnectedness of these resources in driving sustainable growth. Whether it's offering flexible lending solutions for businesses and individuals or providing capital infusion through innovative products like secured loans, supply chain financing, or property-backed loans, we focus on ensuring our offerings are designed to support the unique needs of each client. Where applicable, we've included charts and infographics to clarify key concepts, and some data may be management estimates, subject to updates in subsequent reports.

The reporting period of 'Comfort Fincap Limited' apropos this Annual Report is April 01, 2024 to March 31, 2025.

Throughout the report, the terms 'Fincap', 'Comfort Fincap' and 'CFL' have been used interchangeably to refer to Comfort Fincap Limited.

TABLE OF CONTENT

COMFORT FINCAP

BOARD OF DIRECTOR AND KEY MANAGERIAL PERSONNEL

Mr. Ankur Agrawal	: Chairperson & Executive Director
Mr. Devendra Lal Thakur	: Non-Executive - Independent Director
Mr. Milin Ramani	: Non-Executive - Independent Director
Mrs. Apeksha Kadam	: Non-Executive - Non-Independent, Woman Director
Mr. Bharat Shiroya	: Chief Executive Officer
Mrs. Nirmala Kanjar	: Chief Financial Officer
Ms. Sneha Mandelia	: Company Secretary and Compliance Officer

CIN
L65923WB1982PLC035441

REGISTERED OFFICE
22, Camac Street, Block 'B', Ground Floor, Behind Pantaloons, Kolkata, West Bengal - 700016

CORPORATE OFFICE
A-301, Hetal Arch, S. V. Road, Opp. Natraj Market, Malad (West), Mumbai - 400064;

Tel: 91-22-68948508/09; Email: info@comfortfincap.com; Website: www.comfortfincap.com

ASSOCIATE COMPANY
M/s. Lemonade Share & Securities Private Limited
A-301, Hetal Arch, S. V. Road, Opp. Natraj Market, Malad (West), Mumbai - 400064

STATUTORY AUDITOR
M/s. A.R. Sodha & Co., Chartered Accountants

INTERNAL AUDITOR
M/s. AHSP & Co. LLP, Chartered Accountants

SECRETARIAL AUDITOR
M/s. Mitesh J. Shah & Associates, Company Secretaries

REGISTRARS AND SHARE TRANSFER AGENT
M/s. Bigshare Services Private Limited
Office No. S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai - 400093, India

Tel: 022-62638200 | Fax: 022-62638299
Website: www.bigshareonline.com
Email ID: investor@bigshareonline.com

BANKERS

IDBI BANK

kotak

Union Bank of India

43^{rd} Annual General Meeting

Day & Date
Friday, September 12, 2025

Time
11:30 A.M. (IST)

Venue
Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

About Comfort Fincap Limited

At Comfort Fincap Limited, we bridge the gap between traditional banking and local money lenders by offering flexible, competitive, and timely lending options designed to meet your unique financial needs. Whether you're a business or corporate entity seeking capital infusion or an individual in need of personalized loan solutions, we are here to provide reliable and innovative financial services.

Our offerings include loans secured by securities (such as shares, mutual funds, and promoter funding), loans backed by property, and supply chain financing options like bill discounting, all crafted to fuel growth and success.

Backed by a strong capital base and a tech-enabled platform, CFL brings efficiency, transparency, and speed to the lending process. Our Direct-to-Customer (D2C) approach, combined with lending partnerships and a growing distribution network, allows us to serve a wide range of borrowers across geographies, especially in semi-urban and underserved markets.

With a commitment to responsible lending and customer-first service, we aim to empower individuals and businesses with timely credit access while maintaining the highest standards of governance, compliance, and operational excellence.

"

At CFL,

we don't just provide loans,

we enable possibilities.

"

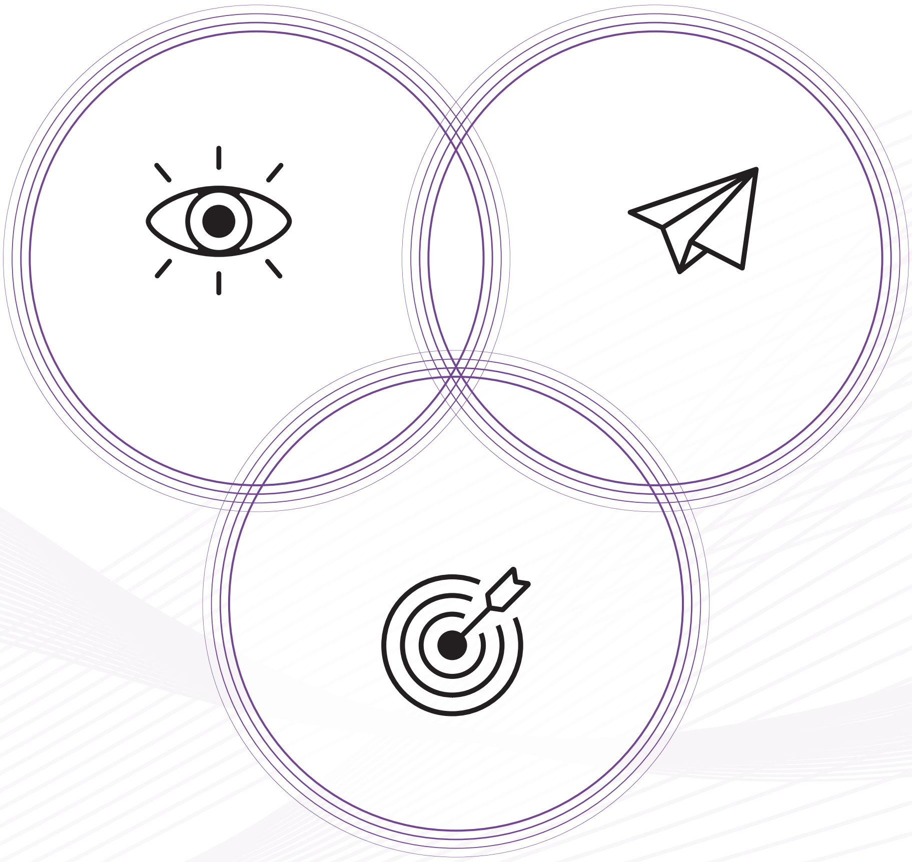
Ethos

Our Vision

To be a leading financial institution known for innovative, customer-centric and sustainable financial solutions that empower individuals and businesses with trust and integrity.

Our Mission

To deliver transparent, ethical financial solutions with top-notch governance, while fostering growth, innovation, and excellence for our customers, employees, and stakeholders.



Our Purpose

To bridge the gap between traditional banking and emerging financial needs by providing flexible and competitive financial solutions that support economic growth and empower communities, businesses, and individuals to build a secure and prosperous future.

Company's Legacy

PTL transitioned into an NBFC and registered with the Reserve Bank of India.

1982

2010

1988

Comfort Fincap Limited, initially incorporated as Parasnath Textiles Limited ("PTL"), began in textiles and later diversified into investments and securities trading.

Luharuka Sales & Services Limited ("LSSL"), a member of the Comfort Group, acquired PTL through an open offer.

2013

PTL rebranded as Comfort Fincap Limited, expanded its financial services, and got listed on the BSE to boost its market presence.

2019

Our focus on tailored solutions led to a loan book growth of over ₹50 Crores, strengthening our position and industry outreach.

2024

In August 2024, we achieved a significant milestone by issuing a preferential allotment of ₹39 crore, propelling our loan book size to ₹100+ crore.

Possibility is everywhere; all you need is the right strategy to unlock its full potential.

Chairperson's Message

"As we scale across India, we remain grounded in the belief that trust builds loyalty, technology drives efficiency, and people, our customers and investors, create purpose."

Dear Stakeholders,

It is my pleasure to present the Annual Report of Comfort Fincap Limited for FY 2024–25, a year of transformation, steady growth, and a renewed focus on tech-driven financial inclusion.

We are laying a strong foundation for digital evolution by investing in a future-ready infrastructure. Our end-to-end digitization spanning Loan Origination (LOS), Loan Management (LMS), Risk Management (RMS), and Customer Relationship Management (CRM) will enable seamless disbursements and smarter underwriting, resulting in faster turnaround times and enhanced customer experience.

To democratize credit access, we will launch our Direct-to-Customer (D2C) model, allowing customers to apply directly through our website. With automation and minimal manual intervention, eligible borrowers will now receive disbursements in as little as 15 minutes.

Financially, we witnessed solid growth. Net worth rose 58% year-on-year to ₹87 crore, while PAT remained steady at ₹5.1 crore. Revenue from operations increased to ₹13.31 crore, and loan disbursements crossed ₹101 crore, growing over 30%. We also declared a 5% dividend, reflecting our financial strength and commitment to shareholder value.

We will advance our lending and affiliate partnership models, empowering local partners and fintechs to extend credit reach, especially in semi-urban and underserved markets. These efforts will enhance acquisition and enable partner-led income through structured commissions.

On the capital front, we will continue raising funds from diversified sources with a prudent, balanced approach to support responsible lending.

Looking ahead, our focus remains on scaling with trust, innovation, and compliance at the core. We remain committed to inclusive growth, operational transparency, and financial empowerment as we digitally connect Bharat to credit.

Thank you for your continued trust and support.

Yours sincerely,
Ankur Agrawal
Chairperson & Executive Director
Comfort Fincap Limited

Board of Directors

Mr. Ankur Agrawal

Chairperson
& Executive Director

C M M

He steers the company's strategic direction in lending and financial services. With deep expertise in credit markets and evolving customer needs, he leads the transformation of Comfort Fincap into a digital-first, customer-centric NBFC. His vision emphasizes tech-enabled credit access, lending partnerships, and a nationwide distribution strategy. Under his leadership, the company is growing responsibly with a focus on innovation, inclusion, and long-term value creation.

Mr. Devendra Lal Thakur

Non-Executive
Independent Director

C C C M

A seasoned Chartered Accountant, Mr. Devendra Lal Thakur brings with him decades of experience in financial oversight and strategic guidance. His deep involvement with both listed and unlisted entities has helped shape financial prudence across the Comfort Group. At Comfort Fincap, he plays a key role in advising on capital structuring, financial discipline, and long-term value creation. His insights continue to support the Company's mission of responsible and inclusive lending.

Mrs. Apeksha Kadam

Non-Executive
Non-Independent
Woman Director

M

With over 18 years of association with the Comfort Group, Mrs. Apeksha Kadam has been a vital pillar in the Company's administrative and strategic direction. Her hands-on approach and commitment to operational excellence have positively impacted Comfort Fincap's expansion journey. She brings a strong understanding of internal processes and supports the management in aligning operations with business goals, ensuring smooth execution across functions.

Mr. Milin Ramani

Non-Executive
Independent Director

M M M M

A qualified Company Secretary, Mr. Milin Ramani champions best practices in corporate governance and compliance. His experience as a board member of various listed companies enhances Comfort Fincap's regulatory frameworks and ethical governance culture. Mr. Ramani's presence reinforces the Company's commitment to transparency, risk oversight, and stakeholder accountability in the fast-evolving NBFC environment.

Senior Management Team

Mr. Bharat Shiroya
Chief Executive Officer

Mr. Bharat Nanubhai Shiroya, Chief Executive Officer (CEO) of the Company, brings over 30 years of experience in the stock market, finance, and strategic leadership. He has worked with leading financial institutions, gaining deep expertise in investment strategies, risk management, and capital markets. His visionary leadership, strong market insight, and focus on innovation and shareholder value have played a vital role in driving the Company's sustained growth and financial excellence.

Mrs. Nirmala Kanjar
Chief Financial Officer

Mrs. Nirmala Kanjar is a Member of the Institute of Chartered Accountants of India (ICAI) with over 13 years of experience in accounting and taxation. She plays a key role in shaping the Company's financial strategy and ensuring compliance with regulatory standards. Known for her strategic thinking and leadership, she has contributed significantly to the Company's growth. Her dedication to excellence, accuracy, and continuous learning makes her a valuable asset to the organization's long-term success.

Ms. Sneha Mandelia
Company Secretary & Compliance Officer

Ms. Sneha Mandelia is an Associate Member of the Institute of Company Secretaries of India (ICSI), with over six years of experience in handling secretarial functions and compliance matters. She plays a key role in ensuring that the Company adheres to statutory and regulatory requirements. Her expertise contributes to maintaining corporate governance standards and supporting the Company's commitment to legal and procedural compliance.

Committee Indication

C **Chairman**

M **Member**

Audit Committee

Nomination & Remuneration Committee

Risk Management Committee

Stakeholders Relationship Committee

The Spirit Behind Everything We Do

It's our daily commitment. It defines how we think, operate, innovate, and serve. We exist to remove barriers to finance, giving individuals, entrepreneurs, and enterprises the ability to act on their goals with confidence.

Empowering businesses with timely, flexible capital when traditional systems fall short

Designing financial solutions that meet people where they are, not where legacy banking expects them to be

What does ***Powering Possibilities*** *mean to us?*

Using technology and insight to deliver faster decisions, better risk management, and stronger customer outcomes

Focusing on impact, not just transactions helping clients grow, scale, and succeed

To turn ambition into achievement by making finance faster, smarter, and more inclusive.

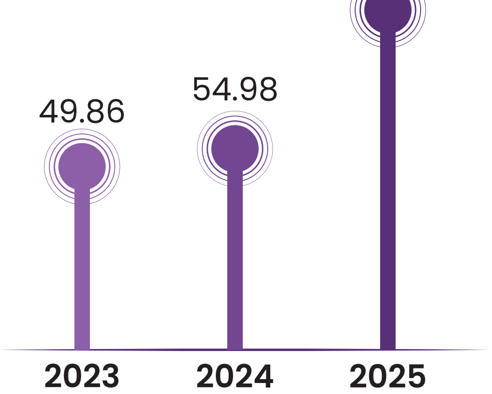
Whether we're digitizing our processes or expanding into new product verticals, every move we make is guided by the question:

"How do we unlock more potential for more people?"

Powering Growth. Delivering Impact. Key Highlights of the Year

Networth

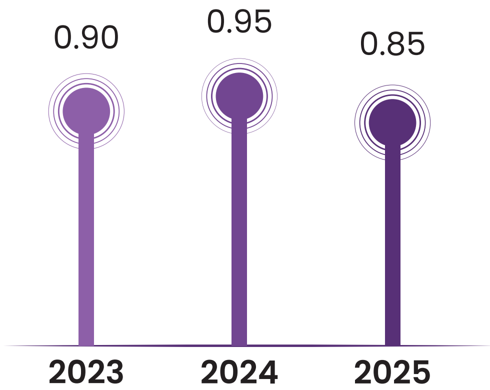
86.61cr



(Rs. In Crores)

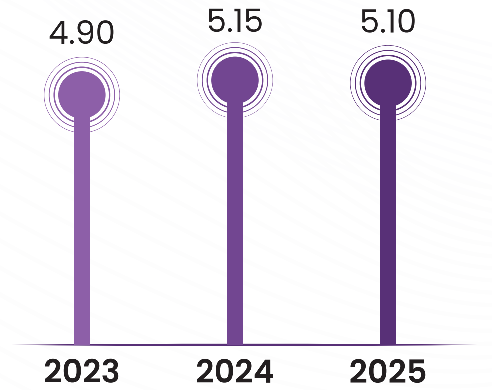
Earnings Per Share

0.85



Profit After Tax

5.10cr



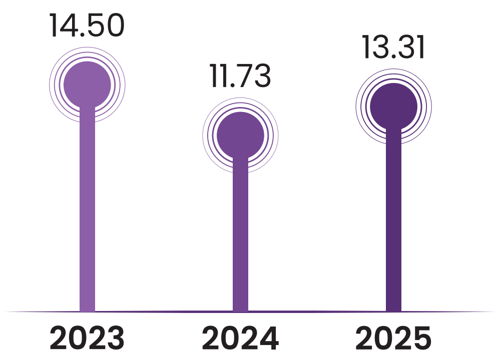
(Rs. In Crores)

This graph is for illustrative purposes only. The data presented is accurate and derived from the standalone financial statements. For a comprehensive understanding, please look at the detailed company's financial statement of this annual report.

FY 2024–25 was a year of meaningful momentum at Comfort Fincap Limited. From enhanced customer experiences and faster disbursals to expanding our product reach and digital innovation, we continued to unlock new possibilities across every part of our business.

Revenue from Operations

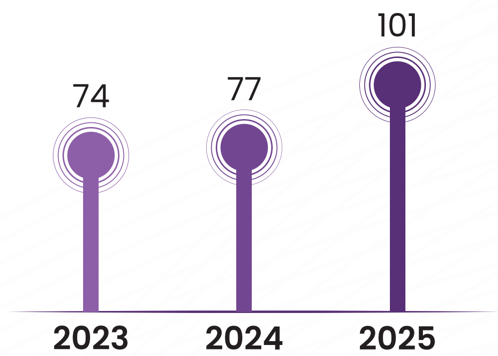
13.31Cr



(Rs. In Crores)

Disbursement

101Cr



(Rs. In Crores)

110.63Cr
Total Asset Size
30% Growth YOY

13.29Cr
Interest Income
15% Growth YOY

5%
Dividend (%) of Paid Up Share Capital

Unlocking Opportunities Through Smart Lending

Our business model is built around one clear idea: finance should be enabling, not limiting. We deliver structured credit solutions that are fast, flexible, and personalized, designed to power momentum for entrepreneurs, businesses, and individuals alike.

By leveraging asset-backed lending, robust credit assessment, and tech-enabled servicing, we unlock capital at critical moments, enabling clients to scale, sustain, or stabilize their operations.

Our Core Offerings

Supply Chain Finance

Loans Against Property

Loans Against Securities

Promoter Funding

Supply Chain Financing

Get paid faster and keep your business moving forward!

- Financing of receivables to bridge cash flow gaps for SMEs and vendors
- Enables faster working capital turnover with minimal credit risk
- Supports B2B ecosystems in manufacturing, distribution, and trading

Loan Against Property

Unlock the value of your property to effortlessly meet your financial needs.

- Medium-to-long-term financing backed by residential or commercial real estate
- Supports business expansion, working capital, or refinancing
- Customized structures based on asset value and borrower profile

How it works

KYC Verification & Sanction

Strategic Tripartite Agreement

Property Valuation & Mortgage Registration

Efficient Invoice Discounting; & Hassle-Free Payment Settlement

Loan Documentation & Disbursement

Loan Against Securities

Leverage the power of your financial investments with
Loan Against Securities(Shares/Mutual Funds)

- Loan facilities secured against shares, mutual funds, bonds, or other liquid market instruments
- Ideal for clients seeking immediate liquidity without selling their holdings
- Quick disbursement with flexible repayment terms

Loan Against Shares

Get financial comfort without liquidating your shares with Loan Against Shares.

Loan Against Mutual Funds

Get Loan Against Mutual Funds to fulfil financial needs at your fingertip without liquidating.

Promoter Funding

Empower Your Business Growth with Promoter Funding

As a business promoter, now you can now access funds seamlessly by leveraging your shareholdings without liquidating them. Through our Promoter Funding solutions, you can pledge your holdings to secure funds quickly, all while maintaining your ownership and influence within the company.

Whether you are pursuing new business opportunities, refinancing, or expanding operations, Promoter Funding provides you a smart and practical way to unlock liquidity. You retain control of your shareholding and continue to benefit from the growth and market potential of your investments.

- Structured finance for promoters seeking to increase stake, manage liquidity, or fund strategic transactions
- Backed by promoter-held securities or equity pledges
- Confidential, high-value lending aligned with market dynamics

How it works

KYC Verification & Sanction

Complete a simple KYC process as per our checklist to ensure quick sanctioning.

Pledge Confirmation

Pledge your shares to our Demat account (NSDL/CDSL), and we'll confirm it in our DP system.

Loan Documentation & Disbursement

After verifying documents like the Request Letter and Share Pledge Agreement, we disburse the loan quickly.

Enabling Smarter Lending.

Driving Seamless Experiences.

Technology isn't an add-on, it's a core enabler of how we deliver speed, flexibility, and trust. From faster approvals to smarter credit decisions, we are investing in digital systems that simplify lending while enhancing accuracy, transparency, and scale.

> **"Our credit models are not only faster they're fairer and more tailored to borrower realities."**

Accelerated Disbursement

Real-time processing ensures faster loan disbursals, getting funds to borrowers when they need them.

Smarter Credit Evaluation

Advanced credit models use broader data for fairer, faster, and more accurate lending decisions.

Frictionless Customer On boarding

Digital KYC and streamlined processes enable quick, paperless onboarding with minimal effort.

Risk, Governance & Compliance

Our Risk Philosophy

We believe that smart lending begins with smart risk management. Our goal isn't just to grow fast, it's to grow responsibly, sustainably, and with full awareness of market dynamics, borrower profiles, and macroeconomic shifts.

Our Commitment

To power possibilities, we must first earn trust. That means protecting every rupee we lend and every relationship we build with discipline, diligence, and deep responsibility.

Growth Trajectory

At Comfort Fincap, we are laying the foundation for a future-ready, digitally powered lending ecosystem. By investing in a comprehensive technology stack for loan origination, management, customer engagement, and risk monitoring systems, we aim to create a frictionless credit journey for our borrowers. Our objective is to enable faster decision-making, improve operational control, and ensure that genuine customers receive disbursements within 15 minutes of approval.

Fully Integrated Suite of Platforms:

Loan Origination System (LOS)

The LOS will be backbone of our credit journey, enabling efficient onboarding of borrowers from initial application to final approval. With rule-based workflows and automated KYC integration, it helps streamline document collection, eligibility checks, and loan structuring in real time.

Loan Management System (LMS)

Once a loan is approved and disbursed, the LMS takes over. This system manages the entire lifecycle of the loan, from EMI scheduling and repayments to renewals and closures, ensuring transparency, accuracy, and timely communication with the borrower.

Customer Relationship Management (CRM)

The CRM centralizes all customer interactions and data, helping us track engagement, resolve queries efficiently, and deliver a personalized experience. It also aids in cross-sell and upsell opportunities through data-driven insights.

Collateral Management System (CMS)

CMS is designed to ensure effective follow-ups, payment reminders, and collections tracking across multiple communication channels. It enhances recovery rates while maintaining customer trust and compliance with fair practices.

Risk Management System (RMS)

The RMS monitors portfolio performance, flags early warning signals, and ensures that credit risks are mitigated proactively. By incorporating data insights, behavioral scoring, and market intelligence, it supports smarter lending decisions and portfolio resilience.

By integrating these systems end-to-end, we are creating a digital infrastructure that supports real-time credit assessments, reduces turnaround time, and makes the loan process smooth, secure, and scalable. This investment not only enables rapid disbursements to genuine borrowers but also lays the groundwork for innovation, compliance, and sustainable growth across our lending operations.

Data Security and Third-Party Integration

We ensure data protection through a multi-layered security framework. We have partnered with trusted platforms for secure data verification. With encrypted systems, strict access controls, and regular audits, we maintain high standards of privacy, compliance, and operational integrity.

Expanding Pan-India Reach with a Digital-First Approach

We are committed to deepening financial inclusion by expanding our footprint across urban, semi-urban, and rural India. Our digital-first approach will allow us to serve a wider audience with speed, consistency, and convenience. By simplifying the loan journey from application to disbursal, we are making credit more accessible and transparent for all.

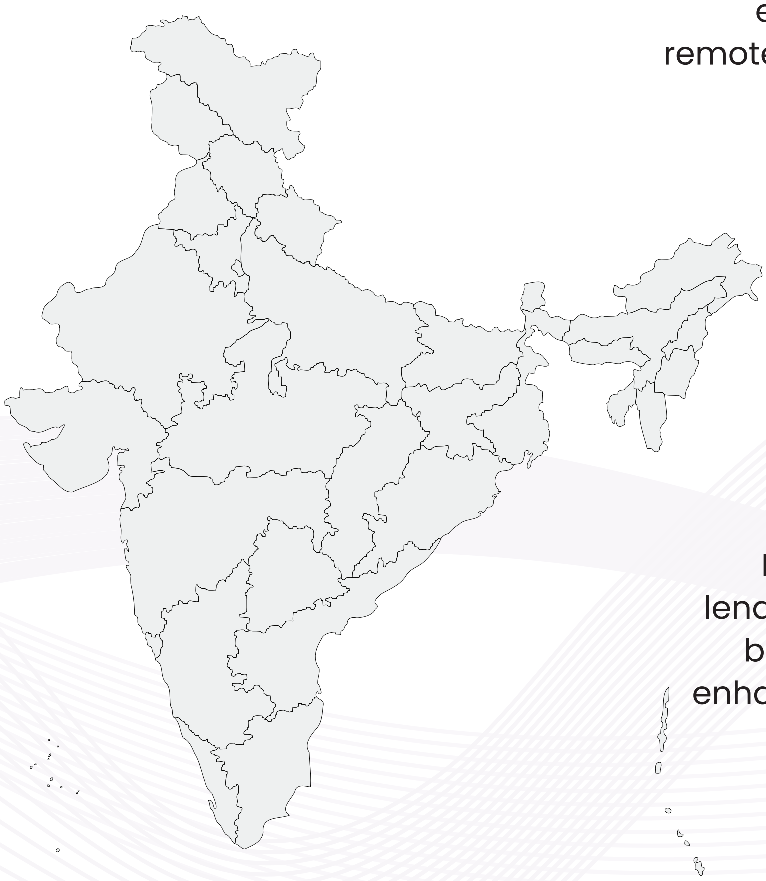
This year, we focused on:

Nationwide Scalability

We are building a robust digital infrastructure designed to handle high-volume loan processing without compromising on speed or accuracy.

Localized Accessibility

Our platforms are being optimized to cater to diverse geographies, enabling users from remote locations to apply and receive credit seamlessly.



Frictionless User Experience

Intuitive interfaces and real-time decisioning ensure that customers can complete the loan process with minimal manual intervention.

Lending

Expanding tech-led lending partnerships to boost credit delivery, enhance efficiency, and ensure sustainable, scalable growth.

We've built a scalable and secure tech backbone that empowers our business to deliver fast, personalized, and trustworthy financial solutions to customers across the country.

CSR

Through the Seth Govind Ram Charitable Trust, we support meaningful initiatives focused on community welfare. Our key efforts include donations to cow shelters, flood relief, Bhagavad Gita and book distribution, setting up social welfare centres, purified drinking water tanks, and public toilets. These actions reflect our commitment to compassion, cleanliness, and community upliftment.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 43RD ANNUAL GENERAL MEETING ("AGM / THE MEETING") OF THE MEMBERS OF COMFORT FINCAP LIMITED ("THE COMPANY") WILL BE HELD ON FRIDAY, SEPTEMBER 12, 2025 AT 11:30 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statements:**

   a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025, together with the Report of the Board of Directors and Auditors thereon; and

   b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 and the Report of the Auditors thereon.

2. **To declare a final dividend of Rs. 0.10/- (Rupees Ten Paise Only) (i.e. 5%) per equity share of face value of Rs. 02/-(Rupees Two Only) each for the financial year ended March 31, 2025.**

3. **To appoint a director in place of Mr. Ankur Agrawal (DIN: 06408167), who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

4. **To approve the Material Related Party Transactions.**

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

   "RESOLVED THAT in supersession to earlier resolution(s) passed and pursuant to the provisions of sections 185, 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other relevant rules made thereunder and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary and pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which the term shall be deemed to include any Committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company during the financial year 2025-26 and onwards in the ordinary course of business and on arm's length basis with related Party/ies and/ or with a person in whom any of the directors of the Company is interested within the meaning of the Act and SEBI Listing Regulations, as per below framework:

Name of the Related Party	Comfort Intech Limited		Comfort Commotrade Limited	Luharuka Commotrade Private Limited	Luharuka Investment & Consultant Private Limited	Luharuka Sales & Services Private Limited	Luharuka Export Private Limited	Comfort Capital Private Limited	DhanSafal Finserve Limited	Flora Fountain Properties Limited	Comfort Securities Limited	Deepika Agrawal	Liquors India Ltd
Name of the Director or Key Managerial Personnel who is/may be related	Mr. Ankur Agrawal and Mrs. Apeksha Kadam									Mr. Ankur Agrawal	Mrs. Apeksha Kadam	Mr. Ankur Agrawal	Mr. Ankur Agrawal
Nature of Relationship	Common Directors											Relative	Common Directors
Nature and particulars of the contract / arrangement	Transfer of securities including but not limited to securities of associate company	Transaction(s) in the nature of providing of Inter - Corporate loan(s) and / or Inter - corporate deposits / business advance for and/or availing and / or providing guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by entities, business purpose only and being entities under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2(b) of Section 185 of Companies Act, 2013.											
Material terms of the contract / arrangement	On Arms' length basis.												
Monetary value of the contract / arrangement for F.Y. 2025-26 and onwards	Rs. 50 Crore	Rs. 50 Crore	Rs. 75 Crore	Rs. 10 Crore	Rs. 10 Crore	Rs. 10 Crore	Rs. 10 Crore	Rs. 50 Crore	Rs. 20 Crore	Rs 60 Crore	Rs. 75 Crore	Rs. 50 Crore	Rs. 25 Crore
The indicative base price or current contracted price and the formula for variation in the price, if any	Prices are basis on arm's length having reference of market price.												
Any other information relevant or important for the members to take a decision on the proposed resolution	None												

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board is further hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

5. **To approve appointment of M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries as a Secretarial Auditor of the Company for the term of five consecutive years.**

To consider and if thought fit, to pass with or without modification(s), 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 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any amendment, modification, variation or re-enactment to any of the foregoing) and on the basis of recommendations of the Audit Committee and the Board of Directors vide resolutions passed at their respective meetings consent of the Members of the Company be and is hereby accorded for appointment of M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for the term of five consecutive years with effect from April 1, 2025 to March 31, 2030, on such remuneration plus out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT any of the Directors, Chief Executive Officer, Chief Financial Officer and the Company Secretary of the Company, be and are hereby authorized for and on behalf of the Company, to do all acts, deeds, matters and things as may be deemed necessary and to sign and execute all necessary documents, applications, returns, forms, etc., for the purpose of giving effect to this resolution."

6. **To consider and approve borrowing power limit in compliance with Section 180(1)(c) of the Companies Act, 2013.**

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

"RESOLVED THAT in supersession of all previous resolutions passed by the Company in this regards and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable regulations framed by the Securities Exchange Board of India, applicable provisions of Foreign Exchange Management Act, 1999 read with rules or regulations framed thereunder, enabling provisions of the Memorandum of Association and Articles of Association of the Company and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be obtained from appropriate authorities, to the extent applicable and pursuant to the consent of the Board of Directors vide resolution passed at their meeting, consent of the Members of the Company be and is hereby accorded to empower Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board or Committee to exercise the powers conferred on the Board by this Resolution) for borrowing, for and on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, in any manner, and without prejudice to the generality thereof, by way of non-fund based assistance, term loan, guarantees, working capital facilities, overdraft facilities, lines of credit, inter corporate deposits, credit facilities, external commercial borrowings or any other form of financial assistance in any form including but not limited to by way of draw-down or issue of securities (including but not limited to debentures, bonds, commercial papers etc.), in Indian rupees or any other foreign currency, from any person including but not limited to any company, individual, body corporate, banks, related parties, financial institutions or any other person, whether Indian or foreign, whether in India or outside India, upon such terms & conditions as regards to interest, repayment, tenor, security or otherwise, as the Board may determine and think fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining undischarged at any given time, will or may exceed the aggregate of the paid-up capital, security premium of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so, such that the total amount up to which money may be borrowed by the Board under this resolution, at any one time or in part shall not exceed, in the aggregate, the sum of Rs. 3,00,00,00,000/- (Rupees Three Hundred Crores Only) and / or in equivalent foreign currency.

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded to delegate the power to the Board to use / modify / amend / reduce / enhance the existing or new borrowing facilities inter-changeably among various lenders, without any restriction on borrowing from a specific lender, subject to the overall borrowing limit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

7. **Authority to raise funds by issuing securities by way of private placement basis.**

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

"RESOLVED THAT pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, as may be applicable, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India ("SEBI") or any other law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and in terms of the Articles of Association of the Company and pursuant to the consent of the Board of Directors vide resolution passed at their meeting, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board or Committee to exercise the powers conferred on the Board by this Resolution) to borrow any sum or sums of money, from time to time, as they may consider fit, by issue of securities viz. Non-Convertible Debentures, Commercial Paper, Bonds and such other debt securities, subject to aggregate thereof not being higher than Rs. 3,00,00,00,000/- (Rupees Three Hundred Crore only) over and above aggregate of the paid-up capital, security premium of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so, to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches, issuable/ redeemable at discount/ par / premium, provided that the said borrowing shall be within the overall borrowing limits of the Company approved pursuant to Section 180 of the Act by the members and that the mentioned borrowing limits shall be replenished on repayment.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard."

8. **To consider and approve rectification in explanatory statement to special resolution passed at the 42nd Annual General Meeting for approving issue of 4,38,00,000 share warrants, convertible into equity shares on preferential basis to the persons belonging to the promoter and non-promoter category.**

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

RESOLVED THAT pursuant to the provisions of Section 42 and Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, pursuant to the recommendations of the Board of Directors vide resolution passed at their meeting, and in continuation to the Special resolution passed by the members at the 42nd Annual General Meeting ("AGM") of the Company for approving issue of 4,38,00,000 share warrants, convertible into equity shares on preferential basis to the persons belonging to the promoter and non-promoter category (i.e., item no 7 of notice of 42nd AGM) and pursuant to the In-principal Approval granted by and directions issued by BSE Limited, consent of the Members of the Company be and is hereby accorded to ratify name of Mr. Pradeep Chaudhary as natural persons who is the ultimate beneficial owners of the warrants and shares allotted/ proposed to be allotted to Noble Express Services Private Limited.

RESOLVED FURTHER THAT 'Sr. No. 4'of 'Point 10' of Explanatory Statement under item no 7 of notice of 42nd AGM be and is hereby ratified and read as and deemed to have always read as follows:

Sr. No.	Name of the Allottee of share warrants	Name of beneficial owners of proposed allottee of share warrants	PAN of the beneficial owners of proposed allottee of share warrants
4.	Noble Express Services Private Limited	Pradeep Chaudhary	ABLPC0377J

RESOLVED FURTHER THAT all other terms and conditions as approved earlier in the 42nd AGM with respect to the aforesaid preferential issue of share warrants shall remain unchanged.

RESOLVED FURTHER THAT any of the Directors, Chief Financial Officer, Company Secretary be and is hereby to do all such acts, deeds, matters and things, as they in their absolute discretion may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

BY ORDER OF THE BOARD OF DIRECTORS
FOR COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON & DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide its various circulars in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder and in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") (collectively referred to as 'MCA Circulars') permitted the Companies to conduct their AGMs on or before September 30, 2025 through VC / OAVM, without the physical presence of the members at a common venue and also provided relaxation from dispatching of physical copies of Notice of AGM and financial statements for year 2025. In compliance with the MCA Circulars, the 43rd AGM of the Company is being convened and conducted through VC / OAVM, without the physical presence of the Members at a common venue.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and Regulation 36 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") setting out material facts concerning the special business to be transacted at the ensuing AGM under item nos. 4, 5, 6, 7 and 8 are considered to be unavoidable by the Board is annexed hereto. The term Member(s) or Shareholder(s) are used interchangeably in this notice.
3. Further, a brief resume of the Director proposed to be re-appointed at this AGM, nature of his appointment, expertise in specific functional areas, names of Companies in which he hold the Directorship and Membership/ Chairpersonship of Board and Committees, Shareholding and relationship between directors inter-se, as stipulated under Regulation 36(3) of the SEBI Listing Regulation and other requisite information as per Secretarial Standard-2 on General Meetings, forms part of this Notice. Further, requisite declarations for re-appointment is received from such Director.
4. In case of joint holders attending the meeting through VC/ OAVM, only such joint holder whose name appears as the first holder in the order of names will be entitled to vote.
5. The Company has appointed, Mrs. Ramadevi Venigalla, Practicing Company Secretary (Membership no. FCS 7345 and CP no. 17889) as the Scrutinizer to scrutinize the remote e-voting & e-voting process in a fair and transparent manner.
6. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/ OAVM and vote thereat. Institutional / Corporate Members (i.e. other than Individuals/ HUF/NRI, etc.) are required to send the scanned copy of the Board Resolution (PDF /JPG Format) authorizing their representatives to attend the meeting through VC / OAVM on their behalf and to vote through remote e-voting/ e-voting. The said Resolution / Authorisation shall be sent to the Scrutinizer by email through its registered email address to ramavenigalla@gmail.com with a copy marked to evoting@nsdl.co.in.
7. **Book Closure:** The Register of Members and Share Transfer Books of the Company shall remain closed from **September 06, 2025 till September 12, 2025 (both days inclusive)** for the purpose of the AGM.
8. **Dividend:** If the dividend, as recommended by the Board, is approved at the AGM, payment of such dividend subject to deduction of tax at source ("TDS") will be made within 30 days of AGM as under:
   a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL'), collectively 'Depositories', as of the close of business hours on **Friday, September 05, 2025 ("being a record date for the purpose dividend");**

      To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on **Friday, September 05, 2025;**

   b) Shareholders holding shares in electronic mode are requested to register their Bank details with the relevant Depository Participant. This will enable the Company to make timely credit of dividend to the Shareholders in their respective bank accounts. For Shareholders who have not updated their bank account details, Dividend Warrants / Demand Drafts will be sent to their registered addresses;
   c) Manner of registering KYC including bank details for receiving dividend:
      - **Shareholders holding shares in physical mode** who have not provided the information regarding bank particulars, are requested to register/update their Bank details (e.g. name of the bank and the branch, bank account number, 9 digits MICR number, 11 digit IFS Code and the nature of account) online with Bigshare Services Private Limited on its website at www.bigshareonline.com along with the copy of the signed request letter mentioning the name and address of the Shareholder, scanned copy of the Share Certificate (front and back), self-attested copy of the PAN Card, and self-attested copy of any document

(e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Shareholder along with a copy of latest cancelled cheque with the Shareholder's name.

- **Shareholders holding shares in electronic mode** are requested to register their Bank details with the relevant Depository Participant. This will enable the Company to make timely credit of dividend to the Shareholders in their respective bank accounts.

d) TDS on dividend in accordance with the provisions of the Income Tax Act, 1961("IT Act"), as amended by and read with the provisions of the Finance Act, 2020, dividend declared and paid by the Company with effect from April 01, 2020, is taxable in the hands of Shareholders and the Company is required to deduct tax at source from dividend paid to the Shareholders at the applicable rates. The Company shall consider the requests received by it from its shareholders as on the Record date fixed by the Company in relation to its proposed dividend(s);

- A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to tds@bigshareonline.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20% and 10% in case of Members having valid Permanent Account Number ("PAN") or as notified by the Government of India. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2023 does not exceed Rs. 5,000/- and also in cases where members provide Form 15G (Applicable to any person other than a Company or a Firm) / Form 15H (Applicable to an individual above the age of 60 years) subject to conditions specified in the IT Act.

- For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable to them. However, Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to tds@bigshareonline.com.

9. **Transfer of Unclaimed Dividend Amount and Shares to the Investor Education and Protection fund ("IEPF") Authority:**

Pursuant to the Section 124 and other applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), the Company will be transferring the unclaimed and unpaid dividend for the financial year 2017-18 from its Unpaid Dividend Account to Investor Education and Protection Fund (hereinafter referred to as "IEPF") after November 02, 2025. Further, all the shares in respect of which dividend remaining unpaid shall also be transferred to IEPF Authority. The Company has published a newspaper advertisement and has sent individual correspondence to the shareholders whose dividend are lying unpaid and unclaimed for 7 years from the date of transfer to Unpaid Dividend Account of the Company and whose shares are due for transfer to IEPF Authority and the same is made available on website of Company at www.comfortfincap.com.

The shareholders are requested to claim their un-paid/unclaimed dividend to avoid the transfer to IEPF Authority.

Members who have not yet encashed their Final Dividends from financial year 2017-18 and thereafter are requested to make their claims to the Company/ Registrar and Share Transfer Agent ("RTA"), i.e. Bigshare Services Private Limited. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and Rules, they may contact the Company's RTA. The members / claimants whose shares and/ or, unclaimed dividend have been transferred to IEPF may claim same by making an application to IEPF Authority in eForm-5 IEPF (available on www.iepf.gov.in). The member / claimant can file only one consolidated claim in respect of multiple financial years as per the IEPF Rules www.comfortfincap.com/investor-relations.

10. Members holding shares in physical mode are requested to intimate changes, if any, pertaining to their postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), specimen signature, bank details such as name of the bank and branch details, bank account number, etc to the Company's RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021. The said forms can be downloaded from the Company's website: www.comfortfincap.com/investor-relations. The Company has sent letters to members holding shares in physical mode for furnishing the required details.

11. **Nomination Facility:** As per the provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 as amended and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.

    If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://www.comfortfincap.com/investor-relations

    Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to the Company's Registrar and Transfer Agent in case the shares are held in physical form.

    SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. Further, all members holding shares in physical mode are required to compulsory link their PAN Card and Aadhaar Card to avoid freezing of folios. Pursuant to SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, for existing investors/ unitholders it has been decided that –

    - Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts,
    - Security holders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these security holders,
    - Dividend, interest or redemption payment withheld presently, only for want of 'choice of nomination' shall be processed accordingly.

    However, all new investors/ unitholders shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts (except for jointly held Demat Accounts).

12. Pursuant to SEBI Notification No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022, the Company shall issue securities in dematerialise 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, format of which is available on the Company's website at www.comfortfincap.com/investor-relations. Further, members holding shares in physical form are requested to take action to dematerialise the Equity Shares, promptly to avoid inconvenience in future.

13. **Special Window for the Re-lodgement of transfer requests for physical shares:** Pursuant to SEBI Notification No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, SEBI has opened a special window for the re-lodgement of transfer requests for physical shares. This window is intended for shareholders whose transfer requests were previously rejected by the Company due to deficiencies in their documents, provided such requests were originally lodged prior to April 01, 2019. Earlier, SEBI had extended the deadline for such re-lodgements up to March 31, 2021.

    Now, in order to facilitate ease of doing business, the SEBI has decided to open a **special window only for re-lodgement of transfer deeds,** which were lodged prior to the deadline of April 01, 2019 and rejected/ returned/ not attended to due to deficiency in the documents/ process/ or otherwise, for a period of six months from **July 07, 2025 till January 06, 2026**. Notice in relation to the same for the shareholder is published on the website of the Company's website at www.comfortfincap.com/investor-relations. Shareholders eligible under this provision are advised to make use of this opportunity and submit their re-lodgement requests with complete and correct documentation within the prescribed timeline.

14. In compliance with the MCA and SEBI circulars, Notice of the AGM along with Annual Report 2024-25, is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Furthermore, a letter providing the web-link, including the exact path, where complete details of the Annual Report 2024-25 is available is sent to those shareholders who have not registered email addresses in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations. The hard copy of the Annual Report including Notice of AGM for Financial Year 2024-25 has not been sent to any member, unless any member has requested for the same. Members may note that the Notice and the Annual Report for the financial year 2024-25 will also be available on the website of the Company at www.comfortfincap.com/investor-relations, website of the stock exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited i.e. www.evoting.nsdl.com (agency for providing the Remote e-Voting facility).

15. Members are requested to join the Company in supporting the Green Initiative taken by MCA to effect electronic delivery of documents to the members at the E-mail addresses registered for the said purpose. Members are hereby requested to register their E-mail addresses with their Depository Participant or with Bigshare Services Private Limited, RTA of the Company, for sending various Notices, Dividend intimation and other documents through E-mail, in case they have not registered the same. Those members who have changed their E-mail ID/ Addresses are requested to update their new E-mail ID / Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in demat mode, in case they have not already updated the same.

16. Pursuant to the SEBI Listing Regulations, the Company is required to maintain Bank details of its members for the purpose of payment of Dividends, etc. Members are requested to register / update their Bank details with the Company/ RTA in case shares are held in physical form and with their Depository Participants where shares are held in dematerialised mode to enable expeditious credit of the dividend into their respective Bank accounts electronically through the Automated Clearing House (ACH) mode.

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act will be available for inspection during the AGM. All the relevant documents referred to in the accompanying Notice are made available for inspection by members at the Corporate Office of the Company, situated at A-301, Hetal Arch, S. V. Road, Malad (West), Mumbai- 400064 on all working days (From Monday to Friday) during the business hours up to the date of AGM.

18. The Members, desiring any information pertaining to the accounts or business to be transacted at the AGM, are requested to write to the Company at the Corporate Office of the Company, situated at A-301, Hetal Arch, S. V. Road, Malad (West), Mumbai-400064, Maharashtra or send an email to info@comfortfincap.com, mentioning their name, DP ID, Client ID number/folio number and mobile number on or before 5:00 P.M. IST, Friday, September 05, 2025, to enable us to keep the requisite information ready.

19. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the MCA on February 08, 2019. A person is considered as a Significant Beneficial Owner ("SBO") if he / she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10% or more. The beneficial interest could be in the form of a Company's shares or the right to exercise or actually exercising significant influence or control over the Company. If any members holding shares in the Company on behalf of other or fulfilling the criteria specified under Section 90 of Act read with relevant rules, SBO is required to give a declaration specifying the nature of his / her interest and other essential particulars in the prescribed manner and within the permitted time frame.

20. Since the AGM will be held through VC/ OAVM, the Route Map, attendance slip and proxy form is not annexed to this Notice.

21. PROCESS AND MANNER OF E-VOTING:

- Pursuant to the MCA circulars, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

  Further, pursuant to the MCA circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

- The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- Pursuant to the provisions of Section 108 of Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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.

- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.comfortfincap.com/investor-relations, The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the MCA Circulars.
- Members have the option to cast their vote on any of the resolutions using the remote e-voting facility during the period **commencing from Tuesday, September 02, 2025 at 9:00 A.M. (IST) to Thursday, September 04, 2025 at 5:00 P.M. (IST) or e-voting during the AGM.** If a Member casts vote(s) by both modes, the voting done through remote e-voting shall prevail and vote(s) cast at the AGM shall be treated as "INVALID". Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

22. THE GENERAL INSTRUCTIONS TO THE MEMBERS FOR REMOTE E-VOTING AND FOR JOINING ANNUAL GENERAL MEETING ARE AS UNDER: -

The **remote e-voting period** begins on **Tuesday, September 02, 2025 at 9:00 A.M. (IST) to Thursday, September 04, 2025 at 5:00 P.M. (IST)** 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. Friday, September 05, 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.

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 09, 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. NSDL Mobile App is available on App Store Google Play

Type of shareholders	Login Method
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 user 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.co.in or call at 022 - 4886 7000 and 022 - 2499 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 22 55 33

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.co.in 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.

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 ramavenigalla@gmail.com with a copy marked to evoting@nsdl.co.in. 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 and 022 - 2499 7000 or send a request to at evoting@nsdl.co.in

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 info@comfortfincap.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DP ID + CL ID 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 info@comfortfincap.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the l**ogin method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email id correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General 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 / queries at info@comfortfincap.com, mentioning their name, DP ID, Client ID number/folio number and mobile number on or before 5:00 P.M. (IST), Friday, September 05, 2025, to enable us to keep the requisite information ready.

23. SCRUTINIZER'S REPORT AND DECLARATION OF RESULTS:

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and shall make and submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by him in writing, who shall countersign the same. The Resolutions shall be deemed to be passed on the date of the AGM i.e. **September 12, 2025** subject to receipt of the requisite number of votes in favor of the Resolutions. The Results shall be declared within two working days of the conclusion of the AGM.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website at: www.comfortfincap.com/investor-relations and on the website of NSDL at: https://www.evoting.nsdl.com immediately and shall also simultaneously forward the results to the stock exchange(s) where the shares of the Company are listed.

Additional information on Director recommended for Re-appointment pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings: -

Item No	3
Particulars	Mr. Ankur Agrawal
DIN	06408167
Date of Birth	23/11/1990
Age (in years)	34 Years
Date of First Appointment	June 29, 2019
Nature of Appointment	Re-appointment (pursuant to retirement by rotation)
Nationality	Indian
Brief Profile	Mr. Ankur Agrawal is a qualified Chartered Accountant by profession. As a young enthusiast he brings dynamism & exuberance in the functioning of the Company. He is responsible for day-to-day business & affairs of the company. He has always played a leading role in businesses for growth over the short, medium and long-term and accordingly, brings in value addition to the Company..
Qualification	Mr. Ankur Agrawal is a fellow member of ICAI and CFA Institute. He also holds a degree of family MBA from Indian School of Business.
Expertise in specific Functional Area	He has more than 14 years of post-qualification work experience in the field of Commerce, Finance, Audit and Accounts.
Skill and capabilities for role of Independent Director and manner in which proposed director meet the same	Not Applicable
Directorships held in other public companies (excluding private, foreign companies and Section 8 companies)	1. Dhansafal Finserve Limited 2. Comfort Commotrade Limited 3. Liquors India Limited 4. Comfort Intech Limited 5. Flora Fountain Properties Limited
Directorship in Listed Entity from which he/she resigned in past three years	Nil
Shareholding in the Company including shareholding as a beneficial owner	Nil
Memberships/ Chairpersonships of Committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	**1. Comfort Commotrade Limited –** -Audit Committee- Member -Stakeholder Relationship Committee- Chairperson **2. Comfort Intech Limited –** -Audit Committee- Member -Stakeholder Relationship Committee- Member **3. Dhansafal Finserve Limited** -Audit Committee- Member -Stakeholder Relationship Committee- Member

Item No	**3**
No. of Board Meeting attended during the financial year	Attended all Board Meetings during the financial year 2024-25.
Disclosure of relationship between Directors/ KMP inter-se	None
Key terms and conditions of the appointment	-
Remuneration last drawn	Rs. 46,91,000/- (Rupees Forty-Six Lakh and Ninety-One Thousand Only) for the financial year 2024-25
Remuneration sought to be paid	Remuneration shall be paid pursuant to the provisions of section 197 read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including and statutory modification or reenactment thereof) and as may be decided the Board from time to time.

BY ORDER OF THE BOARD OF DIRECTORS
FOR COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON & DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF THE SEBI LISTING REGULATIONS

ITEM NO. 4

Your Company generally enters into transaction with related parties as prescribed in the table of resolution mentioned in item no. 4 in ordinary course of business and at arm's length basis, which falls in the definition of "Related Parties Transactions" under the Act and/or SEBI Listing Regulations.

Pursuant to Section 188 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules") exempts a Company from obtaining consent of the Board of Directors and the members in case the related party transactions entered into by the Company are in the ordinary course of business and on arm's length basis.

However, Regulation 23 of the SEBI Listing Regulations requires approval of the members for all material related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis, if the same are not exempt under Regulation 23(5) of the SEBI Listing Regulations. For this purpose, a transaction with a related party is considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

Accordingly, your Company may have to enter into material related party transactions in future requiring shareholders' approval, the framework of which has been recommended by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on January 22, 2025 in the text of the resolution proposed in the Notice.

All the material related party transactions to be entered into by the Company (for which member's approval is being sought) would be on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained/would be obtained, wherever required.

Furthermore, pursuant to the provisions of Section 185 of the Act, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that a special resolution is passed by the company in General Meeting.

Information required to be given in the explanatory statement pursuant to the Act and Rule 15 of the Rules forms part of the resolution. Further, the details required as per SEBI Listing Regulations are as follows:

Sr. No.	Particulars	Information
1.	**Justification for why the proposed transaction is in the interest of the listed entity**	Considering the business activity, the Company has to provide loans / advances to parties including its related parties for enriching business operations more profitably and may buy, sell, transfer securities including securities of its associate amongst its related parties.
2.	**Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)**	Nature of Concern or Interest is Financial Relationship as mentioned in resolution at Item No. 4 and under other entities in which promoters/directors or their relatives are interested.
3.	**Tenure of Proposed transactions**	Approval is sought for material RPTs proposed to be undertaken during the Financial 2025-26 and onwards.
4.	**If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:** **details of the source of funds in connection with the proposed transaction where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, nature of indebtedness cost of funds and tenure, applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.**	The Loans / advances given/to be given by the Company are from Company's own funds. Further, the loans / advances are given/to be given for the business purpose of recipient on the terms and conditions as considered by the Board and Audit Committee in the best interest of the Company.

Sr. No.	Particulars	Information
5.	**Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured, if secured, the nature of security.**	Tenure: repayable on demand Repayment Schedule: Not Applicable Nature of Security: Unsecured.
6.	**A copy of the valuation or other external party report, if any such report has been relied upon.**	Not applicable
7.	**Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of proposed transaction.**	400% to 600%

The Board is of the opinion that these transactions are based on business requirements and are necessary for the smooth and efficient functioning of your Company. Further, all related party transactions of the Company are at arms-length and in the ordinary course of business as required under relevant regulations. The Company has implemented a policy on Related Party Transactions, and it undertakes related party transactions are in accordance with such policy.

Except Promoters, Mr. Ankur Agrawal, Mrs. Apeksha Kadam along with their relatives, none of the other Directors and/or any Key Managerial Personnel of the Company and/or their relatives may be concerned or interested (financially or otherwise) in the Resolution, except to the extent of their shareholding in the Company.

The Board recommends the **special resolution** as set out at item No. 4 for approval by unrelated shareholders of the Company in terms of relevant provisions of the Act and Regulation 23 of the Listing Regulations.

ITEM NO. 5

In accordance with Section 204 of the Act read with the relevant rules framed thereunder, and Regulation 24A of the SEBI Listing Regulations, every listed company shall annex with its Boards' report, a Secretarial Audit Report, given by a Peer reviewed Company Secretary.

As per the SEBI Amendments dated December 12, 2024 to SEBI Listing Regulations, every listed company shall appoint an individual as Secretarial Auditor for not more than one term of five consecutive years or Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Based on the recommendation of the Audit Committee, the Board, at its Meeting held on May 06, 2025 approved appointment of M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for the term of five consecutive year with effect from April 1, 2025 to March 31, 2030, subject to the approval of shareholders at the ensuing Annual General Meeting for issuing Secretarial Audit Report and Annual Secretarial Compliance Report.

The Board believes that their experience of conducting Secretarial Audit and knowledge of the legal and regulatory framework will help the Company in ensuring continued adherence to best compliance and governance requirements, as applicable.

M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries have confirmed that they are not disqualified from being appointed as Secretarial Auditors in terms of Regulation 24A of SEBI Listing Regulations and had provided their consent for the said appointment.

Disclosures pursuant to Regulation 36(5) of the SEBI Listing Regulations are as follows:

Name of the Secretarial Auditor	**M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries**
Terms of Appointment	Appointed for conducting Secretarial Audit of the Company and issuing Secretarial Audit Report and Annual Secretarial Compliance Report thereon.
Proposed Fees payable and material change in the fee payable	The proposed fees to be paid to M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries shall be Rs. 75,000/- (Rupees Seventy Five Thousand only) plus re-imbursement of out-of-pocket expenses for the financial year 2025-26. For the subsequent years, the Board of Directors will decide the remuneration based on recommendations of Audit Committee.
Basis of recommendation for appointment	On the recommendation of the Audit Committee, the Board has considered the appointment of M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company.
Brief Credentials of the Auditor	M/s. Mitesh J. Shah & Associates, Company Secretaries, is a peer reviewed firm which specializes in providing high quality services and solving complexity relating to Various Corporate Law Matters and is a multi-skilled, multi-disciplined firm, offering client's wide range of industry-focused business solutions. The ability to provide personalized services to its clients and to resolve the clients' problems in a minimum time frame in a totally integrated manner is the main USP of the firm.

None of the Promoters, Directors and/or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested (financially or otherwise), in the proposed resolutions mentioned at Item No. 05, except to the extent of their shareholding in the Company.

The Board recommends an **Ordinary resolution** as set out at Item No.05 for approval by shareholders of the Company in terms of Section of Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations.

ITEM NO. 6

In terms of the provisions of Section 180(1)(c) of the Act, the Board of Directors of a Company cannot, except with the consent of the Company by a special resolution, borrow monies (apart from temporary loans obtained from Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up share capital, securities premium and free reserves, that is to say, reserves not set apart for any specific purpose.

Accordingly, considering the need of funds for achieving the business growth potential primarily in the present business segment, in terms of relevant provisions, of the Companies Act, 2013 ("Act") and provisions of all other applicable laws, if any, approval of the shareholders of the Company is sought by way of a Special Resolutions for enhancing the limits for borrowing up to Rs. 3,00,00,00,000/- (Rupees Three Hundred Crore only) over and above its paid-up share capital, securities premium and free reserves and accordingly the resolutions at Item no. 6 is proposed.

Your Board recommends and seeks your approval by way of **Special Resolution** for the resolution as set out under item no. 6 of this Notice.

None of the Promoters, Directors or Key Managerial Personnel of the Company are in any way, concerned or interested (financially or otherwise), either directly or indirectly in passing of the said special resolution as set out under item no. 6, save and except to the extent of their respective interest as shareholders of the Company.

ITEM NO. 7

In terms of Section 42 of Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"), a Company shall not make Private Placement of its Securities unless the proposed offer of Securities or invitation to subscribe to Securities has been previously approved by the Members of the Company by a Special Resolution. However, pursuant to provisos to Rule 14 Sub-rule 1, the Company may pass a Special Resolution once in a year for all the offers or invitations to be made for such securities during the year any may make an offer or invitation for offer of Non-Convertible Debentures, Commercial Paper, Bonds and/or such other securities pursuant to such special resolution.

Accordingly, approval of the shareholders of the Company is sought by way of a **Special Resolution** for enhancing limit to borrow funds by way of offering securities viz. Non-Convertible Debentures, Commercial Paper, Bonds and/or such other securities, subject to aggregate thereof not being higher than Rs. 3,00,00,00,000/- (Rupees Three Hundred Crore only) over and above its paid-up share capital, securities premium and free reserves, to be issued on Private Placement basis as and when deemed fit by the Board within period of one year from the date of passing of special resolution proposed at the item no. 7 of this Notice.

Your Board recommends and seeks your approval by way of **Special Resolution** for the resolution as set out under item no. 7 of this Notice.

None of the Promoters, Directors or Key Managerial Personnel of the Company are in any way, concerned or interested (financially or otherwise), either directly or indirectly in passing of the said special resolution as set out under item no. 7, save and except to the extent of their respective interest as shareholders of the Company.

ITEM NO. 8

In terms of Section 42 and Section 62(1) (c) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 ("the Rules") along with pursuant to the provision of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Company at its 42nd AGM has approved the allotment of the 4,38,00,000 share warrants, convertible into equity shares of the Company on preferential basis to the person belong to the promoter and non-promoter category and for the said issue, Company has received the in principal approval from the BSE Limited subject to the condition that the Company has to ratify identity of ultimate beneficial owner of one of its allottee i.e., Noble Express Services Private Limited.

The Board of Directors has identified Pradeep Chaudhary as ultimate beneficial owner of Noble Express Services Private Limited as accordingly recommended the said ratification to shareholders for their approval by way of a Special Resolution.

On and from the date hereof, the Notice of 42nd AGM shall always be read in conjunction with aforesaid ratification.

Your Board recommends and seeks your approval by way of **Special Resolution** for the resolution as set out under item no. 8 of this Notice.

None of the Directors, Key Managerial Personnel, or their relatives are, in any way, concerned or interested in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

BY ORDER OF THE BOARD OF DIRECTORS
FOR COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON & DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

DIRECTORS' REPORT

To the Members of the Company,

Your Board of Directors present the 43rd (Forty Third) Annual Report of **Comfort Fincap Limited** ("the Company"), detailing the business operations and performance of your Company, together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2025.

The consolidated performance of the Company and its subsidiaries has been referred to whenever required.

1) FINANCIAL HIGHLIGHTS

The summary of Audited (Standalone and Consolidated) Financial performance of the Company, for the financial year ended March 31, 2025 is summarized as under:

(Rs. In lakh, except EPS)

Particulars	Standalone		Consolidated	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from Operations	1331.09	1173.23	1331.09	1173.23
Other Income	-18.27	222.72	-18.27	222.72
Total Revenue	1312.82	1395.95	1312.82	1395.95
Less: Total Expenditure	624.62	669.97	624.62	669.97
Profit before Tax	688.20	725.98	688.20	725.98
Les: Current Tax Expenses	217.92	153.15	217.92	153.15
Less: Deferred Tax	-23.66	58.26	-23.66	58.26
Less: Tax of earlier years	-15.91	-0.05	-15.91	-0.05
Profit for the year	509.85	514.62	509.85	514.62
Earnings Per Share (EPS)* - Basic	0.88	0.95	0.88	0.95
Earnings Per Share (EPS)* - Diluted	0.86	0.95	0.86	0.95

Closing balances in reserve/other equity:

(Rs. in lakh)

PARTICULARS	FY 2024-25	FY 2023-24
Special Reserve	806.65	704.68
Securities premium account	2,599.38	809.20
Retained Earnings	3,270.84	2,917.22
Other Comprehensive Income	(22.33)	(18.20)
Money received against Share Warrants	410.09	-
Total Reserves/ Other Equity	**7,064.62**	**4,412.90**

2) FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The consolidated and standalone financial statements of the Company for the year ended March 31, 2025 have been prepared in accordance with Indian Accounting Standards (IND-AS), the relevant provisions of sections 129 and 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), which have been reviewed by the Statutory Auditor of the Company.

During the year under review, your Company's total revenue from operations on consolidated basis has been increased to Rs. 1,331.09 lakh as compared to Rs. 1,173.23 lakh in the previous financial year. The net profit changed to Rs. 509.85 lakh as compared to Rs. 514.62 lakh in the previous financial year.

During the year under review, your Company's total revenue from operations on standalone basis has been increased to Rs. 1331.09 lakh as compared to Rs. 1,173.23 lakh in the previous financial year. The net profit changed to Rs. 509.85 lakh as compared to Rs. 514.62 lakh in the previous financial year.

In accordance with the provisions contained in Section 136 of the Act and Regulation 34 of SEBI Listing Regulations, the Annual Report of the Company, containing Notice of the Annual General Meeting ("AGM"), Standalone and Consolidated Financial Statements, Standalone and Consolidated Cash Flow Statement, Report of the Auditor's, Directors' Report, Corporate Governance Report "together with Notes and Annexures" thereto are available on the website of the Company at https://www.comfortfincap.com/investor-relations. Further, a detailed analysis of Company's performance is included in the Management Discussion and Analysis Report ("MDAR"), which forms part of this Annual Report.

3) DIVIDEND

We remain firmly committed to ensuring that the benefits of our business progress contribute meaningfully to broader socioeconomic welfare. Our focus on equitable value distribution reflects this commitment. Steady operational performance, supported by a stable market environment has enabled us to deliver consistent financial results.

Also, RBI vide its circular dated 24 June 2021 (including any amendment thereof) has laid down a framework for declaration of dividend by NBFCs. Accordingly, the Board after taking into account various aspects and in compliance with the said circular, based on the Company's financial performance for the fiscal year 2024-25 recommended Final Dividend of Rs. 0.10/- (Ten Paise Only) per equity share of face value of Rs. 02/- (Rupees Two Only) each equivalent to 5% on paid-up equity share capital of the Company for the financial year ended March 31, 2025, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The Company has not paid any Interim Dividend during the financial year under review.

Pursuant to the Finance Act, 2020, with effect from April 1, 2020, dividends are taxable in the hands of the shareholders. In compliance with the applicable provisions, the Company shall deduct tax at source on the dividend amount at the prescribed rates, inclusive of surcharge and cess.

4) TRANSFER OF UNCLAIMED DIVIDEND AMOUNTS AND CONCERNED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Pursuant to Section 124(5) of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), that the Company is required to transfer the amounts of unpaid dividend remaining unpaid and unclaimed for a continuous period of seven years from the date of transfer of such amount to Unpaid Dividend Account to the Investor Education and Protection Fund ("IEPF") Authority. Further, pursuant to section 124(6) of the Act read with the Rules requires that all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the Company to the IEPF Authority along with statement containing such details as may be prescribed.

During the year under review, the Company has transferred the unclaimed dividend of Rs. 3,91,518.80 (Rupees Three Lakh Ninety One Thousand Five Hundred Eighteen and Eighty paise) held in unpaid dividend account for the financial year 2016-17 and transferred 125 Equity Shares of Rs. 02/- each in respect of which dividend remaining unpaid/unclaimed for seven consecutive years to IEPF Authority.

Members who have not yet en-cashed their final dividends from financial year 2017-18 and thereafter are requested to make their claims to the Company/ Register and Share Transfer Agent ("RTA") of the Company. Members are requested to quote their folio numbers / DP ID – Client ID and PAN in all their correspondence.

No claim shall lie against the Company in respect of unpaid/ unclaimed dividend amount and the corresponding equity shares transferred to the IEPF and the same including all benefits accruing on such shares, if any, can be claimed from the IEPF Authority by making an application in Form No. IEPF-5 on the website www.mca.gov.in, sending a physical copy of the same, duly signed by them to the Nodal Officer of the Company, along with requisite documents enumerated in the e-Form No. IEPF-5 and following the procedure prescribed in the Rules, details of which are available on the website of the IEPF Authority and Ministry of Corporate Affairs.

5) SHARE CAPITAL

AUTHORIZED, ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

During the year under review, the Company has increase the Authorized Share Capital of the Company from Rs. 15,00,00,000 to Rs. 25,00,00,000. Consequently, the Capital Clause of the Memorandum of Association has altered after due approval of shareholders at the Annual General Meeting.

As on March 31, 2025, the issued, subscribed and paid-up share capital of the Company has increased from Rs. 10,85,13,000, divided into 5,42,56,500 equity shares of Rs. 2/- each to Rs. 15,96,61,000, divided into 7,98,30,500 equity shares of Rs. 2/- each, fully paid-up.

ISSUE AND ALLOTMENT OF SHARE WARRANTS

During the financial year under review, the Company has issued and allotted 4,38,00,000 share warrants, each convertible into one equity share of face value Rs. 2/- at an issue price of Rs. 9/- (including a premium of Rs. 7/-) to certain promoters and non-promoter investors on a preferential basis in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. The total amount to be raised assuming full conversion of these warrants is Rs. 39.42 Cr.

The Company also received a request from some of the warrant holders for conversion of the warrants into equity shares in multiple tranches during the year, which resulted in an increase in the paid-up share capital of the Company. Amongst 4,38,00,000 share warrants, the Company has converted 2,55,74,000 warrants into equal number of equity shares.

Further, post the completion of financial year under review, the Company has further converted 76,76,000 warrants into equal number of equity shares. Accordingly, the paid-up share capital has increased from Rs. 15,96,61,000 to Rs. 17,50,13,000 as on date of this report.

Except as stated above, there was no other issue of shares by way of public issue, bonus issue or any other mode during the year under review.

6) TRANSFER TO RESERVES

In compliance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934, Non-Banking Financial Companies (NBFCs) are required to transfer a minimum of 20% of their net profit to a Special Reserve. Accordingly, during the year under review, the Company has transferred an amount of Rs. 101.97 lakhs to the special Reserve Account. No amount has been proposed to be transferred to the General Reserve during the financial year.

7) LISTING WITH THE STOCK EXCHANGE(S)

The Company's equity shares continue to be listed on BSE Limited (BSE). The Annual Listing Fees for the financial years 2024-25 and 2025-26 have been duly paid to the Stock Exchange.

The Company is in compliance with all applicable provisions of the SEBI Listing Regulations, 2015, and adheres to the prescribed corporate governance standards. Timely disclosures and compliances with respect to listing obligations are regularly monitored and reviewed by the management and the Board.

8) SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company has one Associate Company namely, Lemonade Shares & Securities Private Limited (CIN: U67100MH2010PTC205455) and has no other subsidiaries or joint venture within the meaning of Section 2(87) or 2(6) of the Act as on March 31, 2025. During the year, there has been no material change in the nature of the business of the Associate Company and no Company became or ceased to be subsidiary, associate company or joint venture.

Further, the report on the performance, financial position and overall contribution to company's profitability of the Associate and salient features of the financial statements in the prescribed Form AOC-1 is marked and annexed as **"Annexure I"** to this Report.

9) DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposit under section 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

10) MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between end of the financial year and the date of this report. We also confirm that there have been no other changes in the nature of the Company's business.

11) MATERIAL DEVELOPMENTS IN THE COMPANY

The Company aims to strengthen its presence in the retail lending segment by extending its financial services to underserved and emerging customer segments. In line with this strategic objective, the Company has entered into a collaboration with Jetfinx Services LLP. This partnership is expected to significantly enhance the Company's capability to serve a broader and more diverse customer base, with a particular focus on consumer durable financing.

By leveraging Jetfinx Services LLP's domain expertise, digital infrastructure, and established distribution network, the Company seeks to deliver more inclusive, scalable, and accessible lending solutions. This initiative is aligned with the Company's vision of driving sustainable growth while deepening its footprint in the high-potential retail lending market, thereby creating long-term value for its stakeholders.

12) CORPORATE GOVERNANCE

Since its inception, the Company has placed strong emphasis on maintaining robust Corporate Governance as a core element of its business philosophy. It has established comprehensive systems and processes to ensure full compliance with applicable laws and regulatory requirements. These systems are not only adequate in scope but also effective in practice, supporting the Company's commitment to transparency, accountability, and ethical conduct.

Effective Corporate Governance is integral to the Company's ability to operate efficiently, manage risk prudently, and create long-term value for all stakeholders. Through the implementation of well-structured policies and procedures, the Board of Directors remains well-informed and empowered to discharge its responsibilities effectively. This strategic governance framework enables the Company to consistently meet its performance objectives while promoting sustainable growth and enhancing shareholder value.

In compliance with Regulation 34(3) read with Schedule V (E) of the SEBI Listing Regulations, 2015, a separate section detailing the Corporate Governance practices followed by the Company, along with a certificate from a Practicing Company Secretary confirming compliance, forms an integral part of this Annual Report.

Furthermore, a certificate from the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company, as required under the SEBI Listing Regulations, is also annexed. This certificate confirms, among other things, the accuracy and integrity of the financial statements and cash flow statements, the adequacy of internal control systems, and appropriate disclosures to the Audit Committee.

13) BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. Board of Directors

The Board of Directors is an apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of the shareholders and other stakeholders.

The Board of Directors of the Company consists of professionals from varied disciplines. The day-to-day management of the affairs of the Company is entrusted with the senior management personnel.

The Composition of the Board of Directors is in conformity with section 149 of the Act read with regulation 17 of the SEBI Listing Regulations.

Details of Directors as on March 31, 2025:

Sr. No.	Name of Directors	DIN	Category
1	Mr. Ankur Agrawal	06408167	Executive Director, Chairperson
2	Mr. Devendra Lal Thakur	00392511	Non-Executive - Independent Director
3	Mr. Milin Ramani	07697636	Non-Executive - Independent Director
4	Mrs. Apeksha Kadam	08878724	Non-Executive - Non-Independent Woman Director

Changes in Directors:

i. Cessation/ Resignation:

During the year under review, there was no instance of Cessation/Resignation by any of the Director of Company.

ii. Director liable to appointment/ re-appointment:

During the year under review, Mr. Milin Ramani, Non-Executive - Independent Director of the Company had completed the first term of 5 years and on the recommendation of the Nomination and Remuneration committee, the Board at its meeting held on April 25, 2024 had approved the re-appointment of Mr. Milin Ramani as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years with effect from June 29, 2024 till June 28, 2029. Further, the shareholders of the Company at the 42nd AGM of the Company had approved the appointment of Mr. Milin Ramani as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for the said term.

Further, there were no new appointments of Directors on the Board of the Company. The composition of the Board remained unchanged throughout the year.

The Company continues to comply with the provisions of Section 149 of the Companies Act, 2013 and SEBI Listing Regulations, 2015, with respect to the Board composition, including the presence of Independent Directors and Women Director.

iii. Director liable to retire by rotation:

Pursuant to provisions of Section 152(6) of the Act, Mr. Ankur Agrawal (DIN: 06408167), Executive Director, retires by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible offers himself for re-appointment. The Nomination and Remuneration Committee and Board have recommended re-appointment of Mr. Ankur Agrawal. Brief profile of Mr. Ankur Agrawal as required under Regulation 36 (3) of the SEBI Listing Regulations read with Secretarial Standard-2 on General Meetings is provided separately by way of an Annexure to the Notice of the ensuing 43rd AGM which forms part of this Annual Report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

None of the directors are disqualified for being appointed as the Director of the Company in terms of Section 164 of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014. Further, the Company has received the necessary declarations from all the Directors as required under the Act and SEBI Listing Regulations. A certificate on non-disqualification of directors is obtained by the Company from Secretarial Auditor and same is annexed to the Corporate Governance Report which forms part of this Annual Report.

II. Key Managerial Personnel (KMP)

The Key Managerial Personnel as on March 31, 2025 pursuant to Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Sr. No.	Name of the KMP	Designation
1	Mr. Bharat Shiroya	Chief Executive Officer
2	Mrs. Nirmala Kanjar	Chief Financial Officer
3	Ms. Sneha Mandelia	Company Secretary & Compliance Officer

There were no changes in KMP during the year under review.

III. Director's Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance with an aim to improve the effectiveness of the Chairperson, Board committees, individual directors and the Board as whole.

The Company has formulated a policy for performance evaluation of the Independent Directors, Board committees, other individual Directors and Board as a whole which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors based on the recommendation of the Nomination & Remuneration Committee and Guidance Note on Board Evaluation issued by the SEBI.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness, on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Further, pursuant to Regulation 17 (10) of the SEBI Listing Regulations, the performance evaluation of the Independent Directors was carried out by the entire Board, in their meeting held on January 22, 2025, excluding the independent director being evaluated.

Further, in a separate meeting of Independent Directors held on January 22, 2025, the performance evaluation of the Board as whole, Chairperson of the Company and the Non-Independent Directors was evaluated and they assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board. The performance evaluation of the Chairperson of the Company was carried out by the Independent Directors, taking into account the views of the other Executive and Non-Executive Directors.

The Independent Directors expressed their satisfaction with the evaluation process and flow of information between the Company's management and the Board.

IV. Declaration by Independent Directors

The Company has received the necessary declarations from the Independent Directors under Section 149(7) of the Act read with Regulation 25(8) of the SEBI Listing Regulations that they meet the criteria of Independence laid down in section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, all the independent directors are registered with data bank maintained by the Indian Institute of Corporate Affairs ("IICA"). The Independent Directors have confirmed that they are not aware of any circumstances or situation, which exists or reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise, hold highest standards of integrity and are Independent of the Management of the Company. The terms and conditions of appointment of Independent Directors are available on the website of the Company at www.comfortfincap.com/investor-relations.

Disclosure regarding the skills/expertise/competence possessed by the Directors is given in detail in the Report on Corporate Governance forming part of this Annual Report.

V. Familiarization program for Independent Directors:

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a system to familiarize its Independent Directors. All Board members of the Company are invited to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. Separate sessions are organized during the year with domain experts to enable Board members to update their knowledge of the sector. Details of the familiarization program on cumulative basis are available on the Company's website at www.comfortfincap.com/investor-relations.

The familiarization program aims to provide the Independent Directors understanding with respect to their roles, responsibilities in the Company, nature of the industry, business model, processes, policies and the technology and the risk management systems of the Company, the operational and financial performance of the Company, significant development so as to enable them to take well informed decisions in timely manner. The Company conducted 1 program during the financial year 2024-25 and the time spent by Independent Directors was in the range of 2 hours. The cumulative programs / meetings conducted till date are 9 and the time spent by Independent Directors is in the range of 16 hours. The policy on Company's familiarization program for independent directors is hosted on the Company's website at www.comfortfincap.com/investor-relations.

VI. Board and Committee Meetings

During the financial year 2024-25, Six (6) Board Meetings and Fourteen (14) Committee Meetings were held. The Board has established following three Committees in compliance with the requirements of the relevant provisions of Act and SEBI Listing Regulations:

a. Audit Committee;

b. Nomination and Remuneration Committee;

c. Stakeholders' Relationship Committee.

Further, the Company also has constituted Risk Management Committee pursuant to the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("RBI Master Directions") and one (1) non-mandatory Committee, i.e. Operations Committee to deal with the matters relating to frequent banking and day-to-day business affairs. The details of the Board and all of its Committees along with their composition, meetings held during the year are given under Corporate Governance Report forming part of this Annual Report.

VII. Succession Plan

In order to ensure orderly succession of the Board of Directors and Senior Management and pursuant to the requirements of Regulation 17(4) of the SEBI Listing Regulations, your Company's Board has adopted a policy on succession planning for the Board and Senior Management. The policy is available on the website of the Company at web link www.comfortfincap.com. The detailed policy aspects are also mentioned in the Corporate Governance Report forming part of this Annual Report.

14) AUDITORS

A. Statutory Auditor

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the Members of the Company at the 40th AGM held on September 21, 2022 had approved the re-appointment of M/s. A. R. Sodha & Co., Chartered Accountants (FRN 110324W) as the Statutory Auditors of the Company for a further period of 5 consecutive years to hold office from the conclusion of the 40th AGM till the conclusion of the 45th AGM to be held in the year 2027.

M/s. A. R. Sodha & Co., Chartered Accountants has audited the books of accounts of the Company for the financial year ended March 31, 2025 and have issued the Auditors' Report thereon. The report provided by of the Statutory Auditor along with the notes is enclosed with the Financial Statements.

The Auditor's Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer. Further, the Auditor of the Company have not reported any fraud as specified under Section 143(12) of the Act.

B. Secretarial Auditor

The role of the Secretarial Auditor *inter-alia* is to verify and ensure compliance with applicable laws, regulations, and corporate governance norms related to secretarial and procedural matters, providing assurance on compliance and adherence to regulatory requirements.

In compliance with the provisions of Section 204 of the Companies Act, 2013 read with the applicable rules made thereunder, the Company had appointed M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries (Membership No.: F10070; Certificate of Practice No.: 12891) to conduct the Secretarial Audit for the Financial Year 2024-25. The Secretarial Audit Report in Form MR-3 for the said financial year is annexed herewith as **Annexure -II** which forms an integral part of this Report. The said report does not contain any qualification, reservation, or adverse remark.

Further, the Secretarial Auditor was present at the last AGM. Further, the Secretarial Auditor of the Company has not reported any fraud as specified under Section 143 (12) of the Companies Act, 2013.

Pursuant to the amendment to Regulation 24A of SEBI Listing Regulations, vide notification dated December 12, 2024, every listed entity is mandated to appoint:

- An individual as Secretarial Auditor for not more than one term of five consecutive years, or
- A firm of Secretarial Auditors for not more than two terms of five consecutive years,

only if such auditor is a Peer Reviewed Company Secretary and has not incurred any disqualifications as specified by the Securities and Exchange Board of India.

Further, the said regulation mandates that such appointment from the Financial Year 2025-26 onwards shall be subject to approval of the Members by way of an Ordinary Resolution at the AGM.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 06, 2025, has approved the appointment of M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five (5) consecutive financial years, commencing from Financial Year 2025-26 to Financial Year 2029-30, at such remuneration as may be mutually agreed between the Board of Directors and the said Secretarial Auditor from time to time, subject to the approval of shareholders at the ensuing AGM for issuing Secretarial Audit Report and Annual Secretarial Compliance Report.

M/s. Mitesh J. Shah & Associates have consented to the said appointment, confirmed that they are a Peer Reviewed Firm of Practicing Company Secretaries, and further confirmed that they have not incurred any disqualification under the Companies Act, 2013 and the SEBI Listing Regulations for being appointed as Secretarial Auditors.

C. Internal Auditor

The role of the Internal Auditor *inter-alia* is to independently evaluate and improve the effectiveness of risk management, control, and governance processes, ensuring operational efficiency and compliance with internal policies and regulatory requirements.

Pursuant to the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. ASHP & Co., Practicing Chartered Accountants, Mumbai to perform the duties of Internal Auditor of the Company for the financial year 2024-25 and their report is reviewed by the Audit committee from time to time.

D. Cost Auditor

Provisions of Section 148(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Cost records and Audit) Rules, 2014 requiring maintenance and audit of cost records and appointment of cost auditor is not applicable to your company.

15) NOMINATION AND REMUNERATION POLICY

The Company has adopted a Nomination and Remuneration Policy for Directors and Senior Managerial Personnel, in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations which is as approved and duly governed by the Nomination and Remuneration Committee and the Board of Directors.

The Committee periodically reviews the composition of the Board to ensure an optimum balance in terms of size, skills, independence, knowledge, age, gender, and experience.

The Policy is available on the Company's website at www.comfortfincap.com/investor-relations. Further, the details of the Policy are also provided in the Corporate Governance Report, forming part of this Annual Report.

16) CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prevention of Insider Trading in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations").

Pursuant to above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of Insider Trading Regulations.

Both the Codes are available on website of the Company at web link https://www.comfortfincap.com/investor-relations.

17) RELATED PARTY TRANSACTIONS

During the year under review, all related party transactions entered into are at arm's length basis and in the ordinary course of business. Prior omnibus approval of the member of Audit Committee who are Independent Directors is obtained for Related Party Transactions which are of a repetitive nature and entered into in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval on quarterly basis.

There were no material contracts or arrangements or transactions with related parties which falls under the scope of Section 188 (1) of the Act, therefore Form AOC-2 does not form part of this Report. Details of the Related Party Transactions are provided in the accompanying Financial Statements which form part of this Annual Report.

The Company has put in place a policy for related party transactions ("RPT policy") which has been approved by the Audit Committee and Board of Directors respectively and is also reviewed and amended from time to time, subject to at least once in three years. The RPT policy provides for identification of related party and related party transactions, materiality of related party transactions, necessary approvals by the Audit Committee/Board of Directors/ Shareholders of related party transactions and subsequent material modification thereof, reporting and disclosure requirements in compliance with the provisions of the Act and the SEBI Listing Regulations. The RPT policy has been uploaded on the website of the Company and can be accessed at the following link https://www.comfortfincap.com/investor-relations.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the half yearly reports on related party transactions with the Stock Exchanges.

18) WHISTLE BLOWER POLICY / VIGIL MECHANISM

A Whistleblower Policy, also known as a Vigil Mechanism, ensures a confidential platform for employees and stakeholders to report concerns about unethical behaviour, misconduct, or illegal activities within the organization. It aims to foster a culture of transparency, integrity, and accountability, providing assurances that disclosures will be investigated promptly and impartially without fear of retaliation, thereby safeguarding the interests of all stakeholders and upholding ethical standards.

In compliance with Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has adopted a Vigil Mechanism /Whistle Blower Policy. The Audit Committee oversees the functioning of this policy. The Company's Vigil Mechanism/Whistle Blower Policy aims to provide the appropriate platform and protection for Whistle Blowers to report instances of fraud and mismanagement, if any, to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or suspected incidents of violation of applicable laws and regulations including the Company's ethics policy or Code of Conduct for Prevention of Insider Trading in the Company, Code of Fair practices and Disclosure. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal.

Details of the Vigil Mechanism and Whistleblower policy are covered in the Corporate Governance Report, which forms part of this Annual Report and are made available on the Company's website at https://www.comfortfincap.com/investor-relations.

During the financial year 2024-25, no cases under this mechanism were reported to the Company and no personnel of the Company have been denied access to the Chairperson of the Audit Committee.

19) PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is committed to upheld and maintain the dignity of women employees and to provide a safe and conducive work environment to all its employees and associates working in the Company. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has put in place Policy on Prevention of Sexual Harassment at Workplace. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Further, an Internal Complaints Committee ("ICC") has been set up under the said Act to redress complaints received regarding sexual harassment.

The Details of sexual harassment complaints pending, received and disposed of during the year are covered in the Corporate Governance Report, which forms part of this Annual Report.

20) ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the Annual Return of the Company for financial year 2024-25 is available on Company's website at https://www.comfortfincap.com/investor-relations.

21) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of its knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements:

i. In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures;

ii. The directors have selected and applied the accounting policies consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The annual accounts have been prepared on a going concern basis.

v. The Company had followed the internal financial controls laid down by the directors and that such cost controls are adequate and were operating effectively;

vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22) MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as stipulated under the Regulation 34(2)(e) of the SEBI Listing Regulations and the same is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations / performance of the Company's various businesses, internal controls and their adequacy, risk management systems, human resources and other material developments during the financial year 2024-25.

23) REMUNERATION TO DIRECTORS, PARTICULARS OF EMPLOYEES AND HUMAN RESOURCES (HR)

Your Company had 11 employees as on March 31, 2025. The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as none of the employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure III** of this Report.

24) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a robust system of internal controls designed to safeguard its assets against loss, unauthorized use, or disposition. These internal control mechanisms ensure that all transactions are duly authorized, accurately recorded, and appropriately reported to the management.

The Company adheres to all applicable Accounting Standards for the maintenance of its books of accounts and the preparation of financial statements. The internal audit function independently reviews and evaluates the adequacy and effectiveness of the internal control systems, in accordance with the policies and procedures approved by the Board.

The Company remains committed to continuously strengthening its internal control framework to ensure it remains appropriate and adequate, commensurate with the size and nature of its business operations.

25) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The operations of your Company are not energy intensive and hence, disclosure pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures are adopted by the Company. The Company continued to give major emphasis for conservation of Energy.

The Company's operations do not require significant import of technology.

26) FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of foreign exchange earnings and outgo required under Section 134 (3)(m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are as under:

Total Foreign Exchange used and earned by the Company is as follows

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Foreign Exchange Used	Nil	Nil
Foreign Exchange Earned	Nil	Nil

27) CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company's Corporate Social Responsibility ("CSR") initiatives are in full compliance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and all applicable circulars and notifications issued thereunder.

For the financial year 2024–25, the amount required to be spent on CSR activities does not exceed ₹50.00 lakh. Accordingly, as permitted under the applicable regulatory framework, the responsibilities of the CSR Committee have been duly discharged and approved directly by the Board of Directors of the Company.

During the year, the Company identified **rural development projects** as its key focus area for CSR initiatives, with an objective to contribute meaningfully towards sustainable and inclusive community development. The implementation of these projects reflects the Company's commitment to social responsibility and its belief in creating a positive societal impact.

The Company has formulated a comprehensive CSR Policy, which has been approved by the Board of Directors and is available on the Company's website at: https://www.comfortfincap.com/investor-relations.

Further, the Chief Financial Officer has certified that the CSR funds disbursed during the financial year 2024–25 have been utilized solely for the purposes intended, and in strict accordance with the approvals granted by the Board.

The detailed report on CSR activities undertaken during the year, in the prescribed format, is annexed to this Report as **Annexure IV**.

28) BUSINESS RISK MANAGEMENT

Business risk management involves identifying, assessing, and mitigating potential threats and uncertainties that could impact the achievement of the company's objectives and overall performance.

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The company has been addressing various risks impacting the company and the policy of the Company on risk management is provided in this annual report in Management Discussion and Analysis.

Further, the Company has adopted a Risk Management Policy pursuant to Section 134(3)(n) of the Act and other applicable laws. The Policy, governed by the Risk Management Committee and the Board of Directors, outlines the structured framework of accountability and oversight, assigning responsibility for managing specific significant risks to designated managers across the organization. The Risk Management Committee plays a key role in assessing the effectiveness of the risk management systems. The policy is designed to identify key risk elements and establish procedures for reporting these to the Board. The Board periodically reviews the Company's risk assessment and mitigation processes and formulates a Risk Management Strategy which includes the development of guiding principles for proactively identifying, analyzing, and mitigating material internal and external risks including, but not limited to, environmental, operational, financial, and business risks.

29) LOANS, GUARANTEE OR INVESTMENTS IN SECURITIES

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans in the ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Act with respect to loans, guarantees and investments. As such, the particulars of loans and guarantee have not been disclosed in this Report. Pursuant to Regulations 34(3) of the SEBI Listing Regulations, the particulars of loans / advances have been disclosed in the notes to financial statements.

30) CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have certified to the Board about compliance by the Company in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations for the financial year ended March 31, 2025 and the same forms part of this Annual Report.

31) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the financial year 2024-25, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in the future.

32) SECRETARIAL STANDARDS

During the financial year under review, the Company has duly complied with the Secretarial Standard i.e. Meetings of the Board of Directors (SS-1) and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as mandated under Section 118(10) of the Act. These standards have been followed in both letter and spirit to ensure proper governance, transparency, and consistency in the conduct of Board and General Meetings.

33) CODE OF CONDUCT

Members of the board of directors and senior management personnel are expected to uphold the highest standards of integrity, transparency, and accountability in all their actions and decisions. They must comply with all applicable laws and regulations, avoid conflicts of interest, and promote a respectful and inclusive work environment.

The Company has formulated and adopted Code of Conduct for all members of the board of directors and senior management personnel which is available on the Company's website at https://www.comfortfincap.com/investor-relations.

The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance with the said Code of Conduct for the year under review. The declaration signed by Bharat Shiroya, Chief Executive Officer of the Company stating that the members of board of directors and senior management personnel have affirmed compliance with the Code of Conduct of board of directors and senior management personnel is annexed to the Corporate Governance Report which forms part of this Annual Report.

34) GENERAL DISCLOSURE

- There has been no change in the nature of business of the Company;
- There was no revision in the financial statements;
- The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished;

- The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act, read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished;
- The Company has not granted employee stock options as per provisions of Section 62(1)(b) of the Act, read with rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014;
- During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act, read with rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
- During the year under review, the Company has not raised funds through qualified institutional placement.
- The Company has complied with relevant guidelines as prescribed by Reserve Bank of India from time to time and filed necessary forms as required by the NBFCs;
- During the year under review, the Company has not made any application under Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the said Code as at the end of the financial year;
- During the year, the Company has not undergone any one-time settlement and therefore the disclosure in this regard is not applicable.
- During the year, the Company has complied with the provisions relating to the Maternity Benefit Act, 1961.

35) ACKNOWLEDGEMENTS

The Board of Directors extends its sincere appreciation to all stakeholders, including financial institutions, banks, government authorities, and business partners, for their continued support and cooperation during the year.

The Board also places on record its gratitude to the Company’s employees at all levels for their dedicated efforts and valuable contributions to the Company’s overall performance and growth.

The Directors further acknowledge with appreciation the unwavering support and trust of the Company’s valued shareholders.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON AND DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

ANNEXURE I

FORM AOC-1

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

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

PART "A": SUBSIDIARIES:

The Company does not have any Subsidiary Company during the year.

PART "B": ASSOCIATES AND JOINT VENTURES:

The Company does not have any Joint Venture during the year. However, the Company has one Associate Company and details of the same is mentioned here in below:

Name of Associates or Joint Ventures		Lemonade Shares and Securities Private Limited
1.	Latest audited Balance Sheet Date	March 31, 2025
2.	Date on which the Associate or Joint Venture was associated or acquired	November, 2012
3.	Shares of Associate or Joint Ventures held by the company on the year end	
	Number of Equity Shares:	2,20,000
	Amount of Investment in Associates or Joint Venture	₹ 22,00,000/-
	Extent of Holding (in percentage):	46.81%
4.	Description of how there is significant influence	Equity Holding
5.	Reason why the associate / joint venture is not consolidated	Not applicable, since it is consolidated
6.	Net-worth attributable to shareholding as per latest audited Balance Sheet	₹ 2,19,02,840/-
7.	Profit or Loss for the year	
	i. Considered in Consolidation	₹ 21,930.95/-
	ii. Not Considered in Consolidation	₹ 24,920.05/-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON AND DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

ANNEXURE II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

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

To,
The Members,
Comfort Fincap Limited
301, 3rd Floor, A Wing, Hetal Arch
S. V. Road, Malad, Mumbai - 400064

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Comfort Fincap Limited CIN: L65923WB1982PLC035441**, having its Registered Office at 22 Camac Street Block 'B' Kolkata – 700016, West Bengal, India and Corporate office at 301, 3rd Floor, A Wing, Hetal Arch, S. V. Road, Malad, Mumbai – 400064, Maharashtra, India (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my 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:

I 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, if any;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

  d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(There were no events requiring compliance during the audit period)**

  e. 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;

  f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(There were no events requiring compliance during the audit period)**

  g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(There were no events requiring compliance during the audit period)**

  h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021; **(There were no events requiring compliance during the audit period)**

  i. The Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under various applicable Laws, Rules and Regulations the Company as follow:

a) Reserve Bank of India Act, 1934 and RBI Directions and Guidelines as applicable to the NBFC.

b) Various Circulars, Notifications, Directions, Guidelines, Master Circulars and Master Direction issued by the Reserve Bank of India from time to time in respect of Systemically Important Non-Deposit taking Non-Banking Financial Company.

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards with regard to Meeting of the Board of Directors (SS-1), General Meeting (SS-2), Secretarial Standard on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India.

ii. The Listing Agreement entered into by the Company with Stock Exchange, if applicable and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

I report that:

- The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was 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 for meaningful participation in the meeting.
- The decisions of the Board Meetings were carried out with requisite majority.
- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including actions for corrective measures, wherever found necessary.

I 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.

I further report during the audit period, the Company had following specific events/actions having a major bearing on the Company's affairs:

i. Increased in authorised share capital and consequentially alteration of capital clause of MOA of the Company:

The Company in its Annual General Meeting held on 25th August, 2024 has approved the increased the authorised share capital of the Company from the existing Rs. 15,00,00,000/- divided into 7,50,00,000 equity shares of face value of Rs. 2/- each to Rs. 25,00,00,000/- divided into 12,50,00,000 equity shares of face value of Rs. 2/- each and consequentially alteration of capital clause of Memorandum of Association of the Company.

ii. Allotment of 4,38,00,000 share warrants, convertible into equity shares on preferential basis:

The Company in its Board Meeting held on 21st October, 2024 has approved the allotment of 4,38,00,000 share warrants, convertible into one equity shares of the face value of Rs. 2/- each on a preferential basis for cash at an issue price of Rs. 9/- each including premium of Rs. 7/- each per warrant to the persons belonging to the promoters and non-promoters category.

iii. Allotment of 81,25,000 equity share pursuant to conversion of 81,25,000 share warrants:

The Company in its Board Meeting held on 21st October, 2024 has approved the allotment of 81,25,000 equity share pursuant to conversion of 81,25,000 share warrants.

iv. Allotment of 1,19,65,000 equity share pursuant to conversion of 1,19,65,000 share warrants:

The Company in its Board Meeting held on 22nd January, 2025 has approved the allotment of 1,19,65,000 equity shares pursuant to conversion of equal number of share warrants.

v. **Allotment of 54,84,000 equity share pursuant to conversion of 54,84,000 share warrants:**

The Company in its Board Meeting held on 20th March, 2025 has approved the allotment of 54,84,000 equity shares pursuant to conversion of equal number of share warrant.

For Mitesh J. Shah & Associates
Company Secretaries

Sd/-
Mitesh Shah
Proprietor
FCS No.: 10070
C. P. No.: 12891
Peer Review Certificate No. 1730/2022
UDIN: F010070G000259462

Date: May 06, 2025
Place: Mumbai

*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

My report of even dated is to be read along with this letter:

Management's Responsibility Statement

i. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

Auditor's Responsibility Statement

ii. I have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I follow provide a responsible basis for my opinion.

iii. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

iv. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

v. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.

vi. The secretarial audit report 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.

vii. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

For Mitesh J. Shah & Associates
Company Secretaries

Sd/-
Mitesh Shah
Proprietor
FCS No.: 10070
C. P. No.: 12891
Peer Review Certificate No. 1730/2022

Date: May 06, 2025
Place: Mumbai

ANNEXURE III

STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. **The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the financial year 2024-25:**

(Rs. in lakh)

Name of Directors/ KMP	Designation	Ratio of Remuneration of each Director / Employee to the median remuneration	Remuneration for the financial year	
			2024-25	2023-24
Mr. Ankur Agrawal#	Executive Director	3.35	46.91	47.8
Mr. Devendra Lal Thakur*	Non-Executive Independent Director	0.08	1.15	0.9
Mr. Milin Ramani*	Non-Executive Independent Director	0.08	1.15	0.9
Mrs. Apeksha Kadam*	Non-Executive Non-Independent Director	0.05	0.65	0.8
Mr. Bharat Shiroya	Chief Executive Officer	1.88	26.36	26
Mrs. Nirmala Kanjar	Chief Financial Officer	1.38	19.25	15.25
Ms. Sneha Mandelia	Company Secretary and Compliance Officer	0.92	12.94	8.9

#Remuneration to Mr. Ankur Agrawal also includes Sitting fees for attending meetings.

** Remuneration to Non-Executive Directors includes **only** Sitting fees for attending meetings.*

2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial fear 2024-25 as compared to financial year 2023-24:**

Name of Directors/ KMP	Designation	% increase / decrease in Remuneration
Mr. Ankur Agrawal	Executive Director	-2.43
Mr. Devendra Lal Thakur	Non-Executive Independent Director	Not Applicable
Mr. Milin Ramani	Non-Executive Independent Director	Not Applicable
Mrs. Apeksha Kadam	Non-Executive Non-Independent Director	Not Applicable
Mr. Bharat Shiroya	Chief Executive Officer	1.38
Mrs. Nirmala Kanjar	Chief Financial Officer	26.23
Ms. Sneha Mandelia	Company Secretary & Compliance Officer	45.39

3. **The Percentage increase in the median remuneration of employees in the financial year 2024-25:**

   Not Applicable since there was no change in the median remuneration of all employees in the financial year 2024-25.

4. **The number of permanent employees on the payroll of Company as on March 31, 2025:**

   The number of permanent employees on the payroll of Company as on March 31, 2025 were 11.

5. **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:**

   Average percentage increase made in the salaries of the employees other than the Managerial Personnel in the financial year is 17.33 % vis a vis increase of 16.75% in the salaries of Managerial Personnel.

6. **Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:**

We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Please note that the details required to be given as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company since the remuneration drawn by the Directors, KMP and employees are below the limits specified.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON AND DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

ANNEXURE IV

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

[Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **Brief outline on Corporate Social Responsibility (CSR) Policy of the Company:**

   The objective of CSR Policy of the Company is to persist to contribute towards enhancing environmental and natural capital; supporting rural development; promoting education; providing preventive healthcare, providing sanitation and drinking water facility; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India; preserving and promoting sports and to do such other activities as may be permissible under section 135 of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('the Rules').

   The details of the programs / projects to be undertaken have been given in CSR Policy of the Company which is attached in the Annual Report and is also available on the Company's website https://www.comfortfincap.com/investor-relations.

2. **Composition of the CSR Committee as on March 31, 2025:**

   Pursuant to provisions of Section 135(9) of the Companies Act, 2013, since the amount required to be spent by a Company on CSR does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee is not applicable and the functions of the CSR Committee prescribed under the Act are discharged by Board of Directors of the Company.

3. Web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.: https://www.comfortfincap.com/investor-relations.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: **NOT APPLICABLE**

5. **(a) Average net profit of the company as per Section 135(5):** Rs. 5,70,43,874/-

   (b) Two percent of average net profit of the company as per section 135(5): Rs. 11,40,877/-

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

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

   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 11,40,877/-

6. **(a) CSR amount spent or unspent for the financial year**

Total Amount Spent for the financial year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11,50,000/-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the Financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
NOT APPLICABLE												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount allocated for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Food and Shelter facilities to needy people	Section (x) – Rural development	No	Rajasthan	Jhunjhunu	11,50,000/-	No	Seth Govindram Charitable Trust	CSR00014394
	TOTAL					11,50,000/-			

(d) Amount spent in Administrative Overheads: NOT APPLICABLE

(e) Amount spent on Impact Assessment, if applicable: NOT APPLICABLE

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 11,50,000/-

(g) Excess amount for set off, if any: NIL

Sr. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	11,40,877/-
(ii)	Total amount spent for the financial year	11,50,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	9,123/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	Nil
(v)	Amount available for set off in succeeding financial year [(iii)-(iv)]	9,123/-

7. **(a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in Rs.)
				Name of the Fund	Amoun (in Rs.)	Date of transfer	
NOT APPLICABLE							

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project - Completed / Ongoing
NOT APPLICABLE								

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)** – NOT APPLICABLE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF COMFORT FINCAP LIMITED

Sd/-
ANKUR AGRAWAL
CHAIRPERSON AND DIRECTOR
DIN: 06408167

DATE: JULY 29, 2025
PLACE: MUMBAI

CORPORATE GOVERNANCE REPORT

[Pursuant to Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company's Report on Corporate Governance for the period ended March 31, 2025 pursuant to Regulation 34(3) and Clause (C) of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is presented as below.

This report outlines compliance with requirements of the Companies Act, 2013 as amended ("the Act"), the SEBI Listing Regulations and the Regulations of the Reserve Bank of India ("RBI") for Non-Banking Financial Companies (the 'RBI Regulations'), as applicable to the Company. The Company's corporate governance practices and disclosures go well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

❖ CORPORATE GOVERNANCE

Corporate Governance promotes fairness, transparency, accountability, ethical conduct, and commitment to core values, ensuring that the interests of all stakeholders are considered. It fosters a responsible and trustworthy business environment through principles such as integrity, independence, compliance, and disclosure. By adhering to strong Corporate Governance practices, organizations enhance operational efficiency, build stakeholder trust, and create sustainable long-term value.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Comfort Fincap Limited, Corporate Governance is a reflection of principles rooted in our core values and policies and is deeply embedded in our day-to-day business practices. It forms the bedrock of our culture and decision-making, driven by integrity, transparency, accountability, fairness, and ethical conduct. We believe that strong governance is essential for sustainable growth, responsible conduct, and building enduring trust with all stakeholders.

The Company's governance framework reflects a commitment to high standards of compliance, ethical business conduct, and responsible corporate citizenship. We recognize that good governance is not just regulatory compliance but a strategic tool to enhance long-term value for all stakeholders—shareholders, customers, employees, regulators, and society at large.

Our Board and its Committees act with independence and diligence, ensuring that the interests of stakeholders are upheld through informed and ethical decision-making. A well-defined Code of Conduct applicable to all directors and employees reinforces our commitment to a value-driven governance culture.

Comfort Fincap's governance framework is designed to deliver timely disclosures, uphold investor confidence, and ensure regulatory compliance, including adherence to the provisions of SEBI Listing Regulations (Regulations 17 to 27 read with Schedule V and Regulation 46(2)(b)-(i), (t)), applicable to listed NBFC.

Our governance philosophy is rooted in maximizing stakeholder value legally, ethically, and sustainably, while remaining accountable to the trust placed in us.

❖ THE BOARD OF DIRECTORS

The Company is professionally managed, functioning under overall supervision of the Board of Directors ('the Board'). The Board of the Company consists of professionals from varied industries. The day-to-day affairs of the Company is entrusted with and managed by the senior management personnel and head of departments.

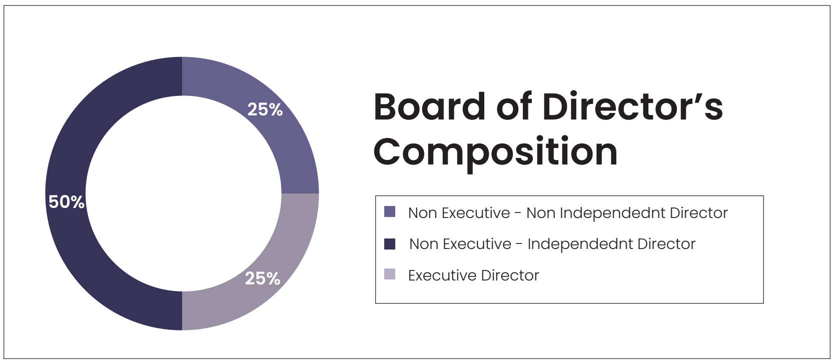
The responsibilities of the Board, *inter alia*, include formulation of overall strategy for the Company, reviewing major plan of actions, setting performance objectives, laying down the Code of Conduct for all members of the Board and the Senior Management team, formulating policies, conducting performance review, monitoring due compliance with applicable laws, reviewing and approving the financial results, enhancing corporate governance practices and ensuring the best interest of the shareholders, the community, environment and its various stakeholders.

a) Composition of the Board of Directors

During the year under review, the composition of the Board adhered to Regulation 17 of the SEBI Listing Regulations, in conjunction with Section 149 and 152 of the Companies Act, 2013 ("the Act") and the applicable rules. This ensured compliance with regulatory requirements governing board composition, director qualifications, and the process of appointment and retirement of directors.

As on March 31, 2025, the Board consisted of four Directors which includes three Non-Executive Directors and one Executive who is also Chairperson of the Company.

The Composition of Board of Directors is summarized as below:-



All the Directors have strong academic background and possess rich experience in general corporate management, banking, finance, economics, marketing, strategy formulation and other allied fields that allow them to contribute effectively by actively participating in the Board and Committee Meetings, providing valuable guidance and expert advice to the Board and the Management and enhancing the quality of Board's decision making process.

The profile of the Directors can be accessed on our website at https://www.comfortfincap.com/about

➢ **Directorships and Committee Memberships/Chairpersonships in other Companies as on March 31, 2025 are given below:**

Name of the Directors and Category of Directorship	No. of shares and convertible instruments held in the Company	No. of Directorship in other entities (Including your Company)	*Position in Committees in Public & other entities (Including your Company)		Names of the other listed entities where the person is a director	Category of Directorship in other Listed Companies
			Member	Chairperson		
Mr. Ankur Agrawal Director and Chairperson related to the Promoter (DIN:06408167)	0	11	9	2	Comfort Commotrade Limited	Non-Executive – Non-Independent Director
					Comfort Intech Limited	Non-Executive – Non-Independent Director, Chairperson
					Dhansafal Finserve Limited	Managing Director, Chairperson

Name of the Directors and Category of Directorship	No. of shares and convertible instruments held in the Company	No. of Directorship in other entities (Including your Company)	*Position in Committees in Public & other entities (Including your Company)		Names of the other listed entities where the person is a director	Category of Directorship in other Listed Companies
			Member	Chairperson		
Mr. Devendra Lal Thakur Non-Executive, Independent Director (DIN:00392511)	9,00,000 equity shares	4	8	5	Comfort Commotrade Limited	Non-Executive, Independent Director
					Comfort Intech Limited	Non-Executive, Independent Director
					Dhansafal Finserve Limited	Non-Executive, Independent Director
Mr. Milin Ramani Non-Executive, Independent Director (DIN:07697636)	18,000 equity shares	9	8	1	Comfort Commotrade Limited	Non-Executive, Independent Director
					Comfort Intech Limited	Non-Executive, Independent Director
					Tree House Education & Accessories Limited	Non-Executive, Independent Director
					Hubtown Limited	Non-Executive, Independent Director
					Bil Vyapar Limited	Non-Executive, Independent Director
Mrs. Apeksha Kadam Non-Executive - Non Independent -Woman Director	0	10	1	1	Comfort Commotrade Limited	Non-Executive - Non-Independent Woman Director, Chairperson
					Comfort Intech Limited	Executive - Woman Director
					Dhansafal Finserve Limited	Non-Executive Non-Independent Woman Director

Notes:

(1) *Represents Chairpersonship/Membership only of Audit Committee and Stakeholders Relationship Committee only in Public Companies.

(2) None of the Directors holds directorship in more than twenty (20) Indian companies, with not more than ten (10) public limited companies. Further, pursuant to Regulation 17A of the SEBI Listing Regulations, none of the Directors on the Board serves as an independent director in more than seven (7) listed entities and our Executive Director serves do not as an independent director in any of the listed entities. Also, none

of the Director acts as a member of more than ten (10) committees or acts as a chairperson of more than five (5) committees (committees being Audit Committee and Stakeholders Relationship Committee) across all Public Limited Companies in which they are Director as per Regulation 26(1) of the SEBI Listing Regulations.

(3) No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under Section 2(77) of the Act.

(4) None of the independent directors have resigned during the year.

b) Number of Board Meetings

During the financial year ended March 31, 2025, Six (6) Board Meetings were held on April 25, 2024, August 02, 2024, October 21, 2024, November 12, 2024, January 22, 2025 and March 20, 2025 and the gap between two meetings did not exceed 120 days in strict adherence to the requirements laid down under the Act and Secretarial Standard - 1 on Board Meetings ("SS-1"). The necessary quorum was present for all the meetings.

➢ **Details of attendance of Directors at Board Meetings during the financial year 2024-25 and at the 42nd Annual General Meeting ("AGM") of the Company are given below:**

Sr. No.	Name of Member	Category	No. of Meetings attended			Attendance at 42nd AGM held on 25th August, 2024
			Held during the tenure	Attended	% of attendance	
1.	Mr. Ankur Agrawal	Executive Director-Chairperson related to Promoter	6	6	100	Yes
2.	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	6	6	100	Yes
3.	Mr. Milin Jagdish Ramani	Non-Executive - Independent Director	6	6	100	Yes
4.	Mrs. Apeksha Santosh Kadam	Non-Executive - Non-Independent Women Director	6	6	100	Yes

In addition to Directors, Key Managerial Personnel, Senior Management Staff and Auditors are also invited to the meetings, as and when required.

c) Core skills / Expertise / Competencies of the Board

The Board comprises of highly qualified and experienced members who possess required skills, expertise, diversity, competence and independence which is required by the Company and thereby provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities.

The Board after taking into consideration the Company's nature of business, core competencies and key characteristics, has identified the following core skills / expertise / competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are currently available with the Board as per the below table:

Core Skills / Expertise / Competence	Name of the Directors			
	Mr. Devendra Lal Thakur	Mr. Milin Ramani	Mrs. Apeksha Kadam	Mr. Ankur Agrawal
Corporate Governance & Ethics	✓	✓	-	✓
Management & Strategy	✓	✓	✓	✓
Strategy and Planning	✓	✓	-	✓

Core Skills / Expertise / Competence	Name of the Directors			
	Mr. Devendra Lal Thakur	Mr. Milin Ramani	Mrs. Apeksha Kadam	Mr. Ankur Agrawal
Financial Management & Taxation	✓	✓	✓	✓
Fund Raising	✓	✓	-	✓
Global business perspective	✓	-	-	✓
Audit & Accounts	✓	✓	-	✓
Business Administration	-	-	✓	✓
Operations and General Management	-	-	✓	✓
Human Resource Management / Personnel Management	-	✓	✓	✓
Compliance	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓
Sales and Marketing	-	-	✓	✓

❖ INDEPENDENT DIRECTORS

Independent Directors play a pivotal role in ensuring high standards of corporate governance. As custodians of good governance practices, they bring an external and objective perspective to the Board's deliberations and decision-making processes. Their active involvement strengthens the integrity of the Board's functioning and safeguards the interests of all stakeholders including shareholders, employees, customers, and the wider community.

Recognizing the significance of this role, the Company has appointed Independent Directors based on the recommendations of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The appointments are made with careful consideration of diversity in experience, skills, domain expertise, and industry knowledge. The Independent Directors of the Company come from varied professional backgrounds thereby enriching the collective wisdom and decision-making capability of the Board.

During the financial year under review, there was no change in the composition of Independent Directors on the Board. The continued engagement of the existing Independent Directors has ensured consistency in governance oversight and strategic guidance.

The detailed terms and conditions of appointment of Independent Directors are available on the Company's website at: https://www.comfortfincap.com/investor-relations.

a) Meeting of Independent Directors

As required under Schedule IV of the Act and SEBI Listing Regulations, a separate meeting of the Independent Directors was held on January 22, 2025, without the presence of Non-Independent Directors and members of the Management. The meeting was attended by all Independent Directors.

➢ **Key agenda items included:**

- Reviewing the performance of Non-Independent Directors and the Board as a whole.
- Assessing the performance of the Chairperson, considering views of both Executive and Non-Executive Directors.
- Evaluating the quality, content, and timeliness of information shared by the Management.

The Independent Directors expressed satisfaction with the Company's governance framework, the effectiveness of the evaluation process, and the openness of communication between the Board and Management.

Mr. Devendra Lal Thakur, is designated as a lead Independent Director to ensure the proceedings are in an effective and structured manner and performs following additional roles:

a. Presiding at meetings of the independent directors;

b. Serving as a liaison between the Chairperson and the independent directors;

c. Have the authority to call meetings of Independent Directors and chair these meetings and to provide feedback to the Chairperson / Board of Directors after such meetings, as may be necessary;

d. Preside over the Board Meetings where the Chairman may not be present or where the Chairman may be an interested party;

e. Be consulted for the schedule, agenda, etc., of the Board and other Committee meetings.

The Independent Directors also have access to Secretarial Auditor, Statutory Auditor and Management of the Company for discussions and questions, if any.

b) Familiarization Programme for Independent Directors

In accordance with Schedule IV of the Act and Regulation 25(7) of the SEBI Listing Regulations, the Company has implemented a structured Familiarization Programme for its Independent Directors. The objective of this programme is to provide insights into the Company's business model, operations, industry dynamics, governance framework, and regulatory landscape, thereby enabling the Independent Directors to contribute effectively to the Board and Committee deliberations.

The Familiarization Programme includes presentations, interactive sessions, site visits, and regular updates on business and regulatory developments. These sessions are designed to keep Independent Directors well-informed about their roles, rights, responsibilities, and the functioning of the Company.

The Company conducted one program during the financial year 2024-25 which was attended by all the Independent Directors and the time spent by Independent Directors was in the range of 2 hours. The cumulative programs / meetings conducted till date are 9 and the time spent by Independent Directors is in the range of 16 hours. Details of the Familiarization Programme are also available on the Company's website at the following link: https://www.comfortfincap.com/investor-relations.

The Company ensures that all Independent Directors receive ongoing familiarization throughout their tenure to facilitate meaningful and active participation in Board proceedings.

c) Confirmation of Independence of Independent Directors

Based on the declarations received from all Independent Directors, the Board of Directors has confirmed that each of them meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Board further affirms that the Independent Directors are independent of the Company's management and exercise their roles and responsibilities with integrity and objectivity.

In compliance with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all Independent Directors have duly registered their names in the Independent Directors' Data Bank maintained by the Indian Institute of Corporate Affairs (IICA).

Furthermore, it is confirmed that none of the Independent Directors have any material pecuniary relationship or transactions with the Company, its Promoters, Directors, or Senior Management that could potentially impair their independence or influence their judgment.

❖ COMMITTEES OF THE BOARD

The Committees of the Board form an integral part of the Company's governance framework. They are constituted with the objective of enabling focused oversight on specific functional areas, facilitating informed and effective decision-making within the authority delegated by the Board.

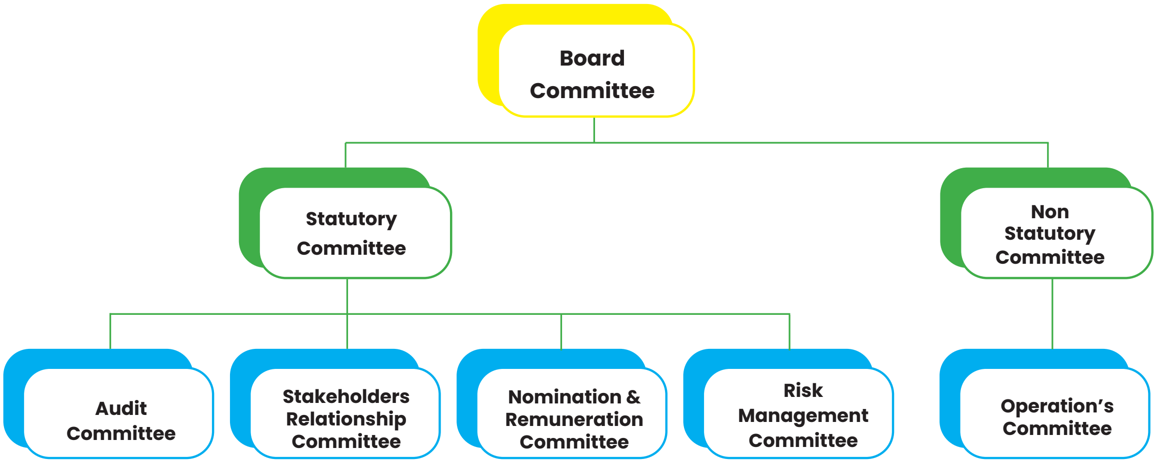
Each Committee operates under a clearly defined Terms of Reference, which outlines its composition, scope, powers, roles, and responsibilities. The Terms of Reference are periodically reviewed and updated, as and when required to meet with evolving regulatory requirements and best governance practices.

The Committees diligently examine matters pertaining to their respective domains and provide independent recommendations or decisions which are presented to the Board for its information, review, or approval, as applicable. The Chairperson of each Committee regularly apprises the Board of key discussions and significant decisions taken during Committee meetings.

Additionally, the minutes of all Committee meetings are placed before the Board as per the requirements of Secretarial Standard-1 on Board and Committee Meetings as well as to ensure transparency, accountability, and seamless integration of the Committee's functioning with the overall governance of the Company.

The effective functioning of the Committees contributes significantly to the Board's ability to discharge its fiduciary responsibilities and enhances the overall decision-making process of the Company.

➢ **The Board has constituted following (5) Committees, consisting of both statutory & non-statutory committees:**



Details of committees are mentioned herein below:

A. STATUTORY COMMITTEE

The Company has constituted the following Statutory Committees in compliance with the provisions of the Act and the SEBI Listing Regulations.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

Further, the Company also has constituted Risk Management Committee pursuant to the requirements of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("RBI Master Directions").

1. AUDIT COMMITTEE

Name of the Committee	Terms of reference	Composition: Name of Members	Composition: Category	Other details
Audit Committee	The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations. The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act.	Mr. Devendra Lal Thakur (Chairperson)	Non-Executive - Independent Director	During the financial year under review, the Audit Committee met 5 (Five) times on April 25, 2024, August 02, 2024, October 21, 2024, November 12, 2024 and January 22, 2025; The Committee comprises of three Directors out of which 2/3rd are Independent Directors and Chairperson of the committee is an Independent Director; All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management; The Committee also invites executives of the Company as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
		Mr. Milin Ramani (Member)	Non-Executive - Independent Director	
		Mr. Ankur Agrawal (Member)	Executive Director	
		There was 100% Attendance of all members in all the meetings of committee held during the year under review. Further, Audit committee meetings were also attended by internal & statutory auditors. The AGM for the financial year 2023-24 was held on August 25, 2024 and was attended by Mr. Devendra Lal Thakur, Chairperson of the Committee.		

2. NOMINATION AND REMUNERATION COMMITTEE

Name of the Committee	Terms of reference	Composition		Other details
		Name of Members	Category	
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Act read with Regulation 19 of SEBI Listing Regulations. The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee are as contained under Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act.	Mr. Devendra Lal Thakur (Chairperson)	Non-Executive - Independent Director	During the financial year under review, the Committee met only once on April 25, 2024; The Nomination and Remuneration Committee comprises of three directors out of which 2/3rd are Independent Directors and Chairperson of the committee is an Independent Director.
		Mr. Milin Ramani (Member)	Non-Executive - Independent Director	
		Mrs. Apeksha Kadam (Member)	Non-Executive - Non-Independent Director	
		There was 100% Attendance of all members in all the meetings of committee held during the year under review. The AGM for the financial year 2023-24 was held on August 25, 2024 and was attended by Mr. Devendra Lal Thakur, Chairperson of the Committee.		

Nomination and Remuneration Policy

The Nomination and Remuneration Policy ("Policy") of the Company has been formulated in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. This Policy has been duly approved by the Board of Directors.

The objective of this Policy is to provide a framework that enables the Company to attract, retain, develop and motivate high-calibre individuals in leadership positions and across the organization, aligned with the Company's vision, values and long-term objectives. It is driven by individual and organizational performance and aims to ensure that the Company maintains a strong and sustainable leadership pipeline.

(a) Key Objectives of the Policy:

i. Appointment and Evaluation:

- To lay down criteria for the appointment of Directors, Key Managerial Personnel (KMP), and other Senior Management personnel.
- To evaluate the performance of individual Directors and the Board as a whole, in alignment with the Company's strategic goals.

ii. Remuneration Philosophy:

- To ensure that remuneration packages are competitive, fair, and performance-linked.
- To strike an appropriate balance between fixed and variable components of remuneration, taking into consideration the role, responsibilities, individual performance, and the Company's overall performance.

iii. Talent Retention and Motivation:

- To retain, motivate, and promote talent at all levels within the organization.
- To ensure long-term sustainability of managerial talent and foster a culture of meritocracy and performance excellence.

iv. Governance and Transparency:

- To regularly review and update the practice followed by the Company to ensure its alignment with evolving regulatory requirements, stakeholder expectations, and best governance practices.
- To foster a governance framework that promotes ethical conduct, integrity, and compliance in all processes related to human capital management at the leadership level.

(b) Scope of the Policy:

The Policy *inter alia* applies to Directors, Key Managerial Personnel and Senior Management's selection and appointment, re-appointment, performance evaluation, retention and remuneration and reward structure.

While recommending the appointment, the NRC considers, *inter alia*, the individual's professional expertise, integrity, track record, and the potential contribution to the growth and strategic direction of the Company.

The Company's compensation structure is designed to support its commitment to meritocracy, innovation, and value creation. The NRC ensures that remuneration levels reflect market benchmarks, role expectations, and Company performance.

(c) Policy Availability:

The Nomination and Remuneration Policy is available on the website of the Company and can be accessed at: https://www.comfortfincap.com/investor-relations.

Performance evaluation of the Independent Directors

Pursuant to Regulation 17 (10) of SEBI Listing Regulations, the evaluation of Independent Directors was done by the entire board of directors which included:

a. performance of the independent directors; and

b. fulfilment of the independence criteria as specified in these regulations and their independence from the management.

In terms of Section 178 of the Act and Regulation 19 read with Schedule II to the SEBI Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Board as a whole, its Committees and individual Directors. Based thereon, the evaluation was carried out by the Board. The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Remuneration of Directors

(a) Pecuniary Relationship or Transactions with Non-Executive Directors

During the year, there were no pecuniary relationships or transactions entered into between the Company and any of its Non-Executive / Independent Directors apart from payment of sitting fees and / or commission / perquisites as approved by the members. Further, the Company also reimburses out-of-pocket expenses, if any to Non-Executive Directors for attending meetings or otherwise.

(b) Criteria of making payment of Remuneration to Non-Executive Directors

Non-Executive Directors ("NEDs") are paid remuneration only by way of Sitting Fees;

- During the financial year 2024-25, no Commission was paid to the NEDs;
- The sitting fees payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The details of sitting fees paid to the Non-Executive Independent Directors and Non- Executive Non-Independent Directors for the financial year 2024-25 are given in **Annexure III** of the Directors' Report.

(c) Details of Remuneration paid to Executive Directors

The details of remuneration paid to the Executive Directors for the financial year 2024-25 are mentioned under **Annexure III** of the Directors' Report. The remuneration paid to the Executive Directors is inclusive of all benefits i.e. salary, bonus, etc. Further, the Company has not issued any stock options to the Director of the Company.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

<table>
<tr><th rowspan="2">Name of the Committee</th><th rowspan="2">Terms of reference</th><th colspan="2">Composition</th><th rowspan="2">Other details</th></tr>
<tr><th>Name of Members</th><th>Category</th></tr>
<tr><td rowspan="4">Stakeholders Relationship Committee</td><td rowspan="4">Company's Stakeholders Relationship Committee is constituted pursuant to Section 178 (5) of the Act and Regulation 20 of the SEBI Listing Regulations.

The terms of reference stipulated by the Board of Directors to Stakeholders Relationship Committee are as contained under Regulation 20 read with para B of Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act.</td><td>Mr. Devendra Lal Thakur (Chairperson)</td><td>Non-Executive - Independent Director</td><td rowspan="4">During the financial year under review, the Stakeholders Relationship Committee met 4 (Four) times on April 25, 2024, August 02, 2024, October 21, 2024 and January 22, 2025.

The Committee comprises of three directors out of which two are independent directors. The Chairperson of the Committee is Non- Executive Independent Director;

Details of Investor complaints and Compliance Officer are provided below.</td></tr>
<tr><td>Mr. Milin Ramani (Member)</td><td>Non-Executive - Independent Director</td></tr>
<tr><td>Mr. Ankur Agrawal (Member)</td><td>Executive Director</td></tr>
<tr><td colspan="2">There was 100% Attendance of all members in all the meetings of committee held during year under review.

The AGM for the financial year 2023-24 was held on August 25, 2024 and was attended by Mr. Devendra Lal Thakur, Chairperson of the Committee.</td></tr>
</table>

Status of Transfers

There were no pending share transfer requests as on March 31, 2025.

Complaints:

The details of shareholders complaints received and disposed of during the financial year under review are as follows:

STATUS OF INVESTOR COMPLAINTS		NO. OF COMPLAINTS PENDING
1.	Complaints Pending at the beginning of the financial year i.e., April 01, 2024	0
2.	Received during the financial year	0
3.	Disposed of during the financial year	0
4.	Complaints Pending at the end of the financial year i.e., March 31, 2025	0

Name, Contact and address of the Compliance officer:

Name : Ms. Sneha Mandelia

Designation : Company Secretary and Compliance Officer

Address : A-301, Hetal Arch, Opp. Natraj Market, S.V. Road, Malad (West), Mumbai-400064

Contact Number 022-6894-8500/08/09

Name, Contact and address of the Nodal officer for IEPF:

Name	**Mrs. Nirmala Khanjar**
Designation	**Chief Financial Officer,**
Address	A-301, Hetal Arch, Opp. Natraj Market, S.V. Road, Malad (West), Mumbai-400064
Contact Number	022-6894-8500/08/09

4. RISK MANGEMENT COMMITTEE

Name of the Committee	Composition		Other details
	Name of Members	Category	
Risk Management Committee	Mr. Ankur Agrawal (Chairperson)	Executive Director	The Risk Management Committee of the Company is constituted by the Board of Directors with effect from March 20, 2025 in compliance with the directions provided by the Reserve Bank of India under its guidelines on risk management and corporate governance to oversee the institution's risk management policies, processes and practices. During the financial year under review, no meeting was held of risk management Committee.
	Mr. Devendra Lal Thakur (Member)	Non-Executive - Independent Director	
	Mr. Milin Ramani (Member)	Non-Executive - Independent Director	

The Terms of Reference of Risk Management Committee are as under:

(1) To formulate a detailed risk management policy which shall include:

(a) 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, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Risk Management Policy

In compliance with the provisions of Section 134(3)(n) of the Act, Regulations 17(9) of the SEBI Listing Regulations, and in line with the RBI Master Directions (on risk management and corporate governance for Non-Banking Financial Companies (NBFCs), the Board of Directors of the Company has adopted Risk Management Policy.

This policy is designed to strengthen the Company's ability to identify, assess, monitor, and mitigate various risks that may impact its operations, performance, or compliance obligations.

Risk management forms a critical part of the Company's overall governance framework and promotes a proactive and structured approach to managing risks in a dynamic and evolving business environment.

The primary objective of this Risk Management Policy is to ensure sustainable growth with stability by establishing an integrated approach to risk identification, assessment, mitigation, and monitoring.

a) Key Objectives:

- To identify internal and external risks that could impact the achievement of business objectives.
- To develop and implement risk mitigation strategies and controls.
- To ensure effective risk reporting, escalation, and review mechanisms.

- To define a structured framework for risk governance aligned with regulatory expectations.
- To embed a risk-aware culture across all levels of the organization.
- To promote timely compliance with applicable statutory and regulatory requirements.

This policy also aims to enhance stakeholder confidence and protect the Company's assets, brand reputation, human resources, and financial performance from potential risks.

b) Scope of the Policy:

This policy applies to all functions and operations of the Company and is designed to identify, assess, and manage risks at an organizational level.

c) Policy Availability:

The Risk Management Policy is available on the website of the Company and can be accessed at: https://www.comfortfincap.com/investor-relations.

B. NON-STATUTORY COMMITTEE

5. OPERATIONS COMMITTEE

The Operations Committee of the Company was constituted by the Board of Directors in their meeting held on August 02, 2022, for operational convenience and to deal with the matters relating to frequent banking and day-to-day business affairs on urgent business without necessarily calling for a board meeting. Subsequently, at the Board Meeting held on August 02, 2024, the terms of reference of the Operations Committee were revised to ensure broader delegation and improved operational flexibility.

The Composition of the Committee is as follows:

1. Mrs. Apeksha Kadam, Non-Executive -Non-Independent Women Director;
2. Mr. Ankur Agrawal, Executive Director;
3. Mr. Bharat Shiroya, Chief Executive Officer.

The terms of reference of the Operations Committee include the following:

a) To authorize opening and closing of bank accounts & to authorize additions/deletions to the signatories pertaining to banking transactions;

b) To approve investment of surplus funds of the Company in various mutual funds, fixed deposits, govt. treasury bonds and any other securities subject to limit as specified under the provisions of section 186 of the Act read with limits set by Shareholders of the Company from time to time;

c) To approve any borrowing of money by the Company subject to limit as specified under the provisions of section 180 of the Act read with limits set by Shareholders of the Company from time to time;

d) To grant loans or give guarantee or provide security in respect of loans on behalf of the Company subject to limit as specified under the provisions of Section 186 or any other provisions of the Act read with limits set by Shareholders of the Company from time to time;

e) To approve transactions relating to foreign exchange exposure, derivative & hedging contracts including but not limited to forward cover and derivative products (within overall aforesaid limit of investment), including delegating such power to any other official of the Company;

f) To delegate authority to the Company officials, Authorised Representative to represent the Company at various Courts, National Company Law Tribunal (NCLT), Government authorities, Stock Exchange(s), Securities and Exchange Board of India (SEBI), Securities Appellate Tribunal (SAT) or Arbitration or any Court of Law or any Tribunal or any Quasi-Judicial or Statutory or Administrative Authority to attend, sign and submit applications, petitions, plaints, written statement, counterclaim, objection petition, Complaints, vakalatnamas, evidence, affidavits and all other documents, etc.;

g) To approve, sign and execute service agreements, consultancy agreements, technical support agreements, or any other agreements, accepting Purchase Order or purchase contracts or incurring of any commitments including delegating such power to any other official/employee/authorised Representative of the Company to sign and execute such agreements;

h) Allotment and Post-Allotment activities of Company's Securities. The scope of work of this Committee is to approve allotment, issue of Certificate/Letter of allotment, transfer, transmission, re-materialisation, issue of duplicate certificates, consolidation /split of Company's domestic and foreign Securities, (if any);

During the period under review, two (2) meetings of the Operations Committee were held, on April 25, 2024 and September 3, 2024. All members of the Committee were present at both meetings.

Attendance records of Committee Meetings held during the financial year 2024-25 is as provided below:

Name of the Committee	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Operations Committee
No. of meetings held	5	1	4	2
Name of the committee member	**No. of meetings attended**			
Mr. Devendra Lal Thakur	5	1	4	-
Mr. Milin Ramani	5	1	4	-
Mr. Ankur Agrawal	5	-	4	2
Mrs. Apeksha Kadam	-	1	-	2
Mr. Bharat Shiroya	-	-	-	2

All of these Statutory and Non-Statutory Committees play a vital role in ensuring robust corporate governance and regulatory compliance.

The Company Secretary and Compliance Officer of the Company acts as the Secretary for all the Committees.

❖ SENIOR MANGEMENT

During the year under review, there was no change in the senior management.

The list of senior management as per Regulation 16(1) (d) of the SEBI Listing Regulations as on March 31, 2025 are as follows:

Sr. No.	Name	Designation
1.	Mr. Bharat Shiroya	Chief Executive Officer
2.	Mrs. Nirmal Kanjar	Chief Financial Officer
3.	Ms. Sneha Mandelia	Company Secretary & Compliance Officer

❖ SUCCESSION PLANNING

Succession planning in an NBFC is a strategic process to ensure the continuity of leadership and key functions by identifying and developing potential future leaders within the organization. It is critical for minimizing disruptions in operations and maintaining investor and regulatory confidence, especially in a highly regulated financial environment.

The Nomination and Remuneration Committee in consultation with the Board has in place a succession planning framework to address anticipated as well as unscheduled changes in leadership. The said framework is re-evaluated and updated every year. The Company has several programs through which high performing talent are identified. Series of journey of interventions and exeriential environments are organised to develop their leadership qualities and skills. In line with the principles of governance, changes are planned from time to time in the Board of Directors, Committees and Top management as part of succession planning.

❖ GENERAL BODY MEETINGS

A. Details of Date, Time, Location and Special Resolutions Passed during last three years Annual General Meeting (AGM):

Financial Year	AGM	Location	Date & Time	Nature of Special Resolution, if any, Passed
2021-22	40th AGM	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	September 21, 2022 at 11:00 A.M.	1. To re-appoint Mr. Devendra Lal Thakur (DIN: 00392511), as Non-Executive-Independent Director on the Board. 2. To ratify and approve the Related Party Transactions. 3. To consider and approve waiver of recovery of excess managerial remuneration paid to Mr. Ankur Agrawal (DIN: 06408167), Executive Director and Chairperson for the financial year ended March 31, 2022. 4. To approve the remuneration payable to Mr. Ankur Agrawal (DIN: 06408167), Executive Director and Chairperson.
2022-23	41st AGM	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	September 12, 2023 at 11:30 A.M.	1. To approve the Related Party Transactions. 2. To approve revision in remuneration payable to Mr. Ankur Agrawal (DIN: 06408167), Chairperson and Executive Director of the Company.
2023-24	42nd AGM	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	August 25, 2024 at 11:30 A.M.	1. To approve the Material Related Party Transactions. 2. To re-appoint Mr. Milin Ramani (DIN : 07697636), as Non Executive-Independent Director on the Board for second term of 5 Consecutive years with effect from June, 29, 2024 till June 28, 2029. 3. Increase in Authorised Share Capital and Alteration of the Capital Clause of Memorandum of Association of the Company. 4. To approve issue of 4,38,00,000 share warrants, convertible into equity shares on preferential basis to the persons belonging to the promoter and non- promoter category. 5. To approve revision in remuneration payable to Mr. Ankur Agrawal (DIN: 06408167), Chairperson and Executive director of the Company.

All the aforesaid special resolutions proposed by the Directors to shareholders in last three financial years were approved by shareholders with requisite majority.

B. Extraordinary General Meetings:

There were no Extraordinary General Meetings held during the year under review.

C. Postal Ballot:

During the financial year under review, no special resolutions were passed through postal ballot.

Furthermore, no special resolutions are proposed to be transacted through postal ballot at the forthcoming Annual General Meeting, as none of the items of business require approval by way of postal ballot in accordance with the applicable provisions of the Act and the rules framed thereunder.

❖ MEANS OF COMMUNICATION:

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies. The Board recognizes the importance of two-way communication with shareholders and giving a report of results and progress and responding to questions and issues raised in a timely and consistent manner as follows:

- **Quarterly results:** Quarterly, half-yearly and annual financial results are disseminated to stock exchange(s) as per the provisions of Regulation 30 and 33 of the SEBI Listing Regulations and the same are also published in Financial Express & Duranto Batra in compliance with Regulation 47 of the SEBI Listing Regulations.

- **Stock Exchange:** The Company discloses to the Stock Exchange where the shares of the Company are listed, all information as required to be disclosed pursuant to the provisions of the SEBI Listing Regulations including material information having a bearing on the performance/operations of the Company or other price sensitive information. The Board of Directors has approved a policy for determining materiality of events for making disclosures to Stock Exchanges.

- **Website:** Your Company maintains a website https://www.comfortfincap.com, wherein there is a dedicated section 'Investor Relation'. The Company's website is a comprehensive reference on its leadership, management, vision, mission, policies, corporate governance, investor relations, service offerings, updates and news. Further, all disclosures disseminated to Stock Exchanges are also made available on the Company's website as required under Regulation 46 of SEBI Listing Regulations.

- **Other Means of Communication and designated Email**

  The Company is committed to ensuring fair and prompt redressal of investor grievances. In accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI), investors can initially approach the Company directly to resolve any complaints or grievances related to their investments. In the event that the grievance is not resolved satisfactorily at the Company level, investors may escalate the matter through SEBI's centralized web-based complaints redressal system, SCORES (SEBI Complaints Redress System). Additionally, SEBI has introduced SMART ODR (Securities Market Approach for Resolution through ODR Portal), an online dispute resolution platform designed to further streamline and expedite the resolution of investor complaints through alternative dispute resolution mechanisms.

  Further, Email ID: info@comfortfincap.com been designated for the purpose of registering complaints by shareholders or investors or mail to Company's RTA on info@bigshareonline.com.

❖ GENERAL SHAREHOLDERS INFORMATION

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

Your Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of listed entity.

b) Annual General Meeting ("AGM") for the Financial Year 2024-25

Day and Date	**Friday, September 12, 2025**
Time	11:30 A.M. IST
Venue	AGM to be conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

c) The Financial year and tentative calendar:

The Company follows the financial year from April 01 to March 31. Tentative calendar for declaration of financial results for the financial year 2025-26 are as given below. In addition, the Board may meet on other dates as and when required.

Quarter ending June 30, 2025	On/before August 14, 2025
Quarter ending September 30, 2025	On/before November 14, 2025
Quarter ending December 31, 2025	On/before February 14, 2026
Financial year ending March 31, 2025	On/before May 30, 2026

d) Book Closure Date: September 06, 2025 to September 12, 2025 (both days inclusive).

e) Dividend Payment Date: The dividend on equity shares, if approved at the ensuing AGM, will be paid within statutory time limit of 30 days from the date of AGM subject to deduction of tax at source ("TDS")

f) The name and address of each Stock Exchange at which the listed entity's securities are listed.

Sr. No.	Name and address of the Stock Exchange	Scrip Code
1.	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001, MH, IN	Scrip Code – 535267 ISIN- INE274M01026*

Annual Listing Fees for the financial year 2024-25 and 2025-26 has been paid to the above Stock Exchanges.

g) Registrar to an Issue and Share Transfer Agent

Name:	Bigshare Services Private Limited
Address:	Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.
Tel:	022-62638200 Fax: 022-62638299
Website:	www.bigshareonline.com
Email ID:	investor@bigshareonline.com

h) Depository for Equity Shares

National Securities Depository Limited	Central Depository Services (India) Limited
Address: Trade World, 'A' Wing, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013; Tel.: 91 22 2499 4200; Fax: 91 22 2497 6351; E-mail: info@nsdl.co.in	Address: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai - 400 013; Tel.: +91 (022) 2305 8640 / 8642 / 8639: E-mail: helpdesk@cdslindia.com

i) Share Transfer System

As per the regulatory framework applicable to listed companies in India, requests for transfer of securities are no longer processed in physical form, including in cases of transmission or transposition. Transfers are executed electronically through the depository system, which enhances efficiency, reduces paperwork, and significantly minimizes risks associated with loss, theft, or forgery of physical certificates. The dematerialised securities are credited directly to the beneficiary account of the transferee through the concerned depository participant ("DP").

All matters related to transmission, transposition, issuance of duplicate share certificates/Letters of Confirmation, and requests for dematerialisation or rematerialisation of shares are processed by the Company's RTA who manages the dematerialisation and rematerialisation processes through its electronic connectivity with both National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

In accordance with the SEBI circular dated January 25, 2022 and Regulation 39 of the SEBI Listing Regulations, listed entities are mandated to process all investor service requests—such as subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicate certificates, transmission, transposition, etc.—only in dematerialised form. Consequently, shareholders who continue to hold shares in physical form are strongly advised to dematerialise their shareholding at the earliest, in order to ensure seamless processing of any future requests and to safeguard their investment.

The Company remains committed to ensuring timely and accurate processing of all shareholder requests in compliance with applicable SEBI regulations and best practices.

j) In case the securities of the company are suspended from trading, the reasons thereof

The securities of the Company were not suspended from trading on BSE Limited during the year under review.

k) Distribution of Share Holding (in Rupees) as on March 31, 2025.

Nominal Value of equity shares is Rs. 02/- each.

Sr No.	Range of Shareholding of Nominal (In Rs.)		Number of Shareholders	% of Total No. of Shareholders	Shares Amount (In Rs.)	% of total shareholding
1	1	5000	15,588	94.6563	78,77,010	5.2975
2	5001	10000	396	2.4047	30,49,758	2.0510
3	10001	20000	215	1.3056	33,18,070	2.2315
4	20001	30000	66	0.4008	16,72,862	1.1250
5	30001	40000	32	0.1943	11,07,010	0.7445
6	40001	50000	30	0.1822	13,65,706	0.9185
7	50001	100000	61	0.3704	42,69,342	2.8712
8	100001	999999999999999	80	0.4858	12,60,33,242	84.7607
	TOTAL		**16,468**	**100.00**	**14,86,93,000**	**100.00**

l) Categories of equity shareholding as on March 31, 2025:

Category	Total No of Shareholders	% of Total no. of shareholders	Total Shares	% of Total shareholding
	Promoter & Promoter Group			
Promoter	1	0.01	58,20,000	7.29
Promoter Group	3	0.02	3,69,68,870	46.31
Total Promoter & Promoter Group (A)	**4**	**0.03**	**4,27,88,870**	**53.60**
	Public			
Resident Individuals	16,030	98.75	3,31,56,270	41.53
Corporate Bodies	24	0.15	10,63,345	1.33
Clearing Members	3	0.02	6,484	0.01
Non Resident Indians	50	0.31	1,73,232	0.22
Investor Education and Protection Fund (IEPF)	1	0.01	12,33,280	1.54
HUF	121	0.75	14,09,019	1.77
Total Public (B)	**16,229**	**99.97**	**3,70,41,630**	**46.40**
Non Public - Non Promoter (C)	**0**	**00.00**	**0**	**00.00**
Total (A) + (B) + (C)	**16,233**	**100**	**7,98,30,500**	**100**

m) Dematerialization of Shares & Liquidity

Break-up of shares in physical & electronic mode as on March 31, 2025.

Mode	No. of shares	% of total Shareholding
Physical	5	0.01
National Securities Depository Limited	84,18,048	10.54
Central Depository Services (India) Limited	6,59,28,447	82.59
Shares Allotted but pending for Corporate Action*	54,84,000	6.87
Total	**7,98,30,500**	**100.00**

Note:

**Shares were allotted pursuant to conversion of 54,84,000 share warrants on March 20, 2025 and corporate action for credit of such shares in both the depositories respectively was completed in the month of April 2025.*

n) Reconciliation of Share Capital Audit

As required under Regulation 76 of the Securities & Exchange Board of India (Depositories and Participants) Regulation, 2018 as amended and SEBI Circular No. CIR/MRD/DP/30/2010, quarterly audit of the Company's share capital is being carried out by Independent Company Secretary in Practice with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Certificates in regard to the same are periodically submitted to BSE Limited and are also placed before the Board of Directors.

o) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs as on March 31, 2025, as such instruments have not been issued in the past.

During the year under review, the Company approved the issuance of 4,38,00,000 share warrants, convertible into equity shares ("warrants"), on a preferential basis to both promoter and non-promoter entities. In accordance with the terms of the issue and on the basis of request received from some of the warrant holders, Amongst 4,38,00,000 share warrants, the Company has converted 2,55,74,000 warrants into equal number of equity shares . Also, subsequent to the close of the financial year under review, the Company has further converted 76,76,000 warrants into equal number of equity shares to promoter and non-promoter entities.

As on date of this report, a total of 1,05,50,000 warrants remains outstanding and pending conversion into equity shares.

Pursuant to Regulation 162 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, warrants holder have an option to exercise their conversion right attached to such warrants up to April 20, 2026. Post the conversion of all outstanding warrants, equity share capital of the Company shall at Rs. 19,61,13,000/- (Assuming full conversion of outstanding warrants).

p) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. The Company does not deal in any derivative instruments for trading or speculative purposes. The disclosure on foreign exchange exposure as on March 31, 2025 are disclosed in notes to the Financial Statements and Board's Report.

q) Plant Location:

The Company does not have any plant as it is engaged in the service sector.

r) Address of Correspondence:

Registered Office: 22, Camac Street, Block 'B', Ground Floor, Behind Pantaloons, Kolkata, West Bengal - 700 016.

Corporate Office: 301, 3rd Floor, A Wing, Hetal Arch, S. V. Road, Malad (West), Mumbai– 400064.

Website: www.comfortfincap.com;

Email: info@comfortfincap.com.

Investor Grievance: For Investor's related queries/complaints:

Company Email: info@comfortfincap.com;

RTA Email: info@bigshareonline.com.

s) List of Credit Ratings: Not Applicable.

❖ OTHER DISCLOSURES

a) Related Party Transactions:

All the transactions entered between the Company and related parties during the financial year are in accordance with the provisions of the Act and Regulation 23 of the SEBI Listing Regulations. 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. Suitable disclosures as required by the Indian Accounting Standard (IND AS-24) have been made in the notes to the Financial Statements. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Further, Audit Committee grants omnibus approval on yearly basis for the transactions of repetitive nature. The Policy on Materiality of RPTs and dealing with RPTs as approved by the Board is uploaded on the Company's website at the web link https://www.comfortfincap.com/investor-relations.

b) Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three financial years.

The Company has complied with all requirements specified under the SEBI Listing Regulations as well as other Regulations and guidelines of SEBI. No penalties have been imposed on the Company during the last three financial years by the SEBI or by any statutory authority on any matters related to capital markets, except following: - SEBI in its adjudication order no. Order/GR/BM/2022-23/19920-20003 dated September 30, 2022 has levied a penalty of Rs. 1,00,000/- in the matter of First Financial Service Limited.

The Company has duly paid the said penalty.

c) Whistle Blower Policy and Vigil Mechanism.

In compliance with the requirements of Section 177 (9) of the Act and Regulation 22 of SEBI Listing Regulations, the Company has a Whistleblower Policy and established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior, if any, occurred. Further, in terms to the provisions of the Act and SEBI Listing Regulations, no person has been denied access to the Chairperson of the Audit Committee.

The said policy has been uploaded on the website of the Company at the web link https://www.comfortfincap.com/investor-relations.

d) Compliance with mandatory requirements and adoption of the non-mandatory requirements.

1. The Company has complied with all the applicable mandatory requirements of the Act and the SEBI Listing Regulations.
2. The Company has also adopted the non-mandatory requirement as specified in the SEBI Listing Regulations regarding –

- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer (“CEO”):** The Company has different individuals serving as Chairperson and CEO respectively.
- **Reporting of Internal Auditor -** The Internal Auditor reports directly to the Audit Committee. Further, Internal Auditor submits his report on quarterly basis and also attends the Audit Committee meetings for approving quarterly financial results and other meetings, if presence is consider important for the matter under review at such meetings.

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 the SEBI Listing Regulations. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company’s website at the web link https://www.comfortfincap.com/investor-relations.

f) Corporate Policies

The policies as required under the Act and the SEBI Listing Regulations are approved by the Board of Directors and are amended from time to time. The aforesaid policies are uploaded on the website of the Company at the web link: https://www.comfortfincap.com/investor-relations.

g) The disclosure of commodity price risks and commodity hedging activities: Not applicable.

h) Details of preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI Listing Regulations

All the proceeds which the Company has received from issue of warrants as well as conversion thereof have been utilized by the Company for the intended purposes, and the Company affirms that there has been no deviation or variation in the utilization of funds as stated in the offer document for the preferential issue. Necessary disclosure in this regard was placed before the Audit Committee and Board for their review and was submitted to the stock exchange within the prescribed timelines.

Furthermore, the Company did not raise any funds through Qualified Institutional Placement (QIP) during the year under review.

i) Certificate from Practicing Company Secretary

Pursuant to Schedule V Para C clause (10) (i) of the SEBI Listing Regulations, a Certificate has been obtained from M/s. Mitesh J. Shah & Associates, Practicing Company Secretaries, as required under the SEBI Listing Regulations, 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 Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority and annexed with this report.

j) Compliance with Accounting Standards / Indian Accounting Standards ("IND AS")

All applicable IND AS have been consistently applied and financial statements of the Company are prepared in accordance with the IND AS as per the requirements of the Act and SEBI Listing Regulations.

k) Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"). The Company amended the said Codes from time to time to ensure they are in line with the regulatory requirements. Both of the aforesaid Codes are uploaded on the website of the Company at the web link: https://www.comfortfincap.com/investor-relations.

Pursuant to above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of Insider Trading Regulations which *inter-alia* includes compliance with requirements of Regulation 3(5) of Insider Trading Regulations relating to maintenance of Structure Digital Data Basis.

l) In the financial year 2024-2025, the board has accepted all recommendations of its committees.

m) Total fees paid to Statutory Auditors of the Company is Rs. 3,74,700/- for financial year 2024-25, for all services on a consolidated basis. Apart from this, no fees is paid to any entities in the network firm/network entity of which the statutory auditor is a part.

n) Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The details of complaints received, resolved and pending during the year under review are as under:

1.	No. of complaints pending at the beginning of the financial year	Nil
2.	No. of complaints filed during the financial year	Nil
3.	No. of complaints disposed off during the financial year	Nil
4.	No. of complaint pending as on end of the financial year	Nil

o) 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 Board of Directors of the Company also act as director on board of our group companies and loans given to such entities are disclosed in notes to the financial statements. No other loan/advances were given to any company/firm in which any of the Directors are interested, except for those which are disclosed in the notes to financials

p) Disclosure of certain types of binding agreements referred to in Regulation 30A of SEBI Listing Regulations:

During the year under review, no agreement was entered into by any of the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or subsidiary company, among themselves or with the Company or with any third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect had, impacted the management or control of the listed entity or imposed any restriction or created any liability upon the Company.

q) Action required regarding non-receipt of dividends:

In case of non-receipt/non-encashment of dividend warrants, the investors are requested to correspond as mentioned hereunder:

Financial years	Requested to correspond with	Action required
2017-18* and onwards	Bigshare Services Private Limited	Request letter along with other requisite documents as required to be sent to RTA i.e. Bigshare Services Private Limited.
Up to 2016-17	Investor Education and Protection Fund ("IEPF") Authority	Online Claim in Form IEPF-5 of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and then send the same duly signed along with requisite documents as enumerated in the Instruction Kit of Form IEPF-5 to the Company at Registered Office for verification of the claim.

***Note:** For Financial Year 2017-18, claim can be made to the RTA on or **before November 02, 2025** only, i.e. due date for transfer of unclaimed and unpaid dividend amount of Financial Year 2017-18 to IEPF Authority and there after claim shall be made only to IEPF Authority in manner stated above.*

Further, in line with the requirements of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, the Company has published a newspaper advertisement requiring eligible claimants to claim their unclaimed and paid dividend amounts in order to avoid its transfer to IEPF. Also, copy of such newspaper advertisement and list of eligible claimants for unclaimed and unpaid dividend amount of Financial Year 2017-18 is made available on the website of the Company at: https://www.comfortfincap.com/ and reminder letters are also sent on to such eligible claimants.

r) Transfer of unclaimed/unpaid dividend amounts to the Investor Education and Protection Fund ("IEPF"):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during the financial year 2024-25 are as follows:

Financial Year	Amount of unclaimed dividend transferred	Number of Shares transferred
2016-17	Rs. 391518.80	125 equity shares of Face Value Rs. 02/- each

The Members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the said Form-5.

No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF.

s) Code of Conduct for members of the board of directors and senior management personnel:

The Company has formulated and adopted Code of Conduct for members of the board of directors and senior management personnel (which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act) in accordance with Regulation 17(5) of the SEBI Listing Regulations). The said Code is available on the website of the Company at: https://www.comfortfincap.com/.

The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance of the Code for the year under review. The declaration signed by Mr. Bharat

Shiroya, Chief Executive Officer (CEO) stating that the members of board of directors and senior management personnel have affirmed compliance with the Code of Conduct of board of directors and senior management personnel is forming part of this report.

t) Disclosures with respect to demat suspense account/ unclaimed suspense account:

There are no shares lying in the Demat Suspense Account or Unclaimed Suspense Account. Accordingly, no disclosure is required to be made under this head.

u) Compliance with corporate governance requirements:

The Company has duly complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations.

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL

[Pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Bharat Shiroya, Chief Executive Officer of Comfort Fincap Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the S Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2025.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF COMFORT FINCAP LIMITED

Sd/-
BHARAT SHIROYA
CHIEF EXECUTIVE OFFICER

DATE: MAY 06, 2025
PLACE: MUMBAI

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

This is to certify that:

A. We have reviewed the financial results and statements for the year ended March 31, 2025 and that to the best of our knowledge and belief;

   i. these results and statements do not contain any materially untrue statement or omit any material fact or contain results that might be misleading;

   ii. these results and statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 are fraudulent, illegal or in violation of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps have been taken to rectify these deficiencies.

D. We further certify that we have indicated to the Auditors and the Audit Committee that;

   i. There have not been any significant changes in internal control over financial reporting during year under reference;

   ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial results and statements; and

   iii. We are not aware of any instance of significant fraud which includes involvement of the management or any employee having a significant role in the Company's internal control system over financial reporting, during the year under reference.

FOR COMFORT FINCAP LIMITED

Sd/-
NIRMALA KANJAR
CHIEF FINANCIAL OFFICER

FOR COMFORT FINCAP LIMITED

Sd/-
BHARAT SHIROYA
CHIEF EXECUTIVE OFFICER

PLACE: MUMBAI
DATE: MAY 06, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Comfort Fincap Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Comfort Fincap Limited CIN: L65923WB1982PLC035441**, having its Registered Office at 22 Camac Street Block 'B' Kolkata – 700016, West Bengal, India and its corporate office at 301, 3rd Floor, A Wing, Hetal Arch, S. V. Road, Malad Mumbai – 400064, Maharashtra, India (hereinafter called "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the following Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 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 or any such other Statutory Authority.

Details of Directors:

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1.	Devendralal Rambharose Thakur	00392511	20/10/2021
2.	Ankur Anil Agarwal	06408167	29/06/2019
3.	Milin Jagdish Ramani	07697636	29/06/2019
4.	Apeksha Santosh Kadam	08878724	12/02/2021

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

For Mitesh J. Shah & Associates
Company Secretaries

Sd/-
Mitesh Shah
Proprietor
FCS No.: 10070
C. P. No.: 12891
Peer Review Certificate No. 1730/2022
UDIN: F010070G000259572

Date: May 06, 2025
Place: Mumbai

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[In terms of Regulation 34 (3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Comfort Fincap Limited

We have examined the compliance of conditions of Corporate Governance by Comfort Fincap Limited ('the Company'), CIN: L65923WB1982PLC035441 having Registered Office at 22, Camac Street Block 'B' Kolkata – 700016, West Bengal, India and its Corporate Office at 301, 3rd Floor, A Wing, Hetal Arch, S.V. Road, Malad Mumbai – 400064, Maharashtra, India for the year ended on March 31, 2025, as stipulated in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance to the extent applicable, as stipulated in the provisions specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Listing Agreement of the said Company with stock exchange.

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

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For Mitesh J. Shah & Associates
Company Secretaries

Sd/-
Mitesh J. Shah
Proprietor
FCS No.: 10070
C. P. No.: 12891
Peer Review Certificate No. 1730/2022
UDIN: F010070G000881204

Date: 29.07.2025
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

➢ GLOBAL ECONOMIC OVERVIEW

In 2024, the **global economy expanded by 3.2%**, sustaining its growth trajectory despite ongoing geopolitical tensions. However, this growth was uneven across regions. The United States maintained strong momentum, while the Eurozone experienced slower economic progress. Disinflation persisted globally, though the pace of improvement varied, with some countries still grappling with elevated inflation levels.

Looking ahead, global growth is projected to moderate to **2.8% in 2025 and 3.0% in 2026**, as rising trade tensions and heightened policy uncertainty weigh on the outlook. A key concern is the recent imposition of tariffs by the new U.S. administration on Canada, Mexico, and China, which has triggered retaliatory measures. These developments pose risks to global trade flows, inflation stability, and overall economic momentum.

Amid these challenges, restoring clarity and policy coordination is critical. Global cooperation will be essential to foster a stable and predictable trade environment, facilitate timely debt restructuring, and address shared macroeconomic vulnerabilities. At the same time, countries must focus on domestic policy reforms and correct structural imbalances to preserve internal stability.

Such a balanced and coordinated approach will help manage the trade-off between growth and inflation, rebuild financial resilience, improve long-term growth potential, and reduce systemic risks in the global economy.

(Source: IMF)

Fueling the Future: India's Ascent to the Top 4 Global Economies

As per the International Monetary Fund ("IMF") projections, India is poised to become the world's **fourth-largest** economy in 2025, alongside Japan. The country's economic strength is underpinned by key sectors such as traditional and modern agriculture, technology and IT services, the handicraft industry, and business process outsourcing ("BPO").

India's real Gross domestic product ("GDP") is estimated at Rs. **187.95 lakh crore** in Financial Year 2024-25, up from **Rs. 176.51 lakh crore** in Financial Year 2023-24, supported by a population exceeding one billion-positioning India among the largest population-driven economies globally. Furthermore, the IMF forecasts a robust GDP growth rate of 6.2% and 6.3% for Financial Year 2024-25 and Financial Year 2025-26 respectively, making India the fastest-growing major economy during this period.

Looking ahead, rising domestic consumption and increased investment flows—both foreign and domestic—are expected to be key drivers of economic expansion. These factors will not only fuel sustainable growth but may also enable India to ascend further in the global GDP rankings in the coming years.

Table: Region-wise GDP Growth Rate (%)

REGIONS	PROJECTIONS		
	2024	2025	2026
World Economy	3.3	2.8	3.0
Advanced Economies (AEs)	1.8	1.4	1.5
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Germany	-0.2	0.0	0.9
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Emerging Market and Developing Economies (EMDEs)	4.3	3.7	3.9
China	5.0	4.0	4.0
India	6.5	6.2	6.3
Russia	4.1	1.5	0.9

(Source: IMF World Economic Outlook April 2025)

➢ INDIAN FINANCIAL SERVICES SECTOR

Over the past decade, India has made substantial progress in the digital transformation of financial governance and regulatory oversight. This evolution has laid a strong foundation for enhanced transparency, accountability, and operational efficiency across the financial sector.

The Union Budget 2025 reinforces this trajectory by introducing two pivotal initiatives designed to strengthen compliance frameworks, bolster financial security, and promote greater transparency within the financial ecosystem. These measures are particularly focused on empowering Banking, Financial Services, and Insurance (BFSI) institutions to proactively detect, prevent, and mitigate risks associated with money laundering, financial fraud, and regulatory non-compliance.

By leveraging advanced digital infrastructure, data analytics, and real-time monitoring systems, the government aims to foster a more robust and resilient financial environment. These efforts are expected to not only safeguard the integrity of financial transactions but also enhance investor confidence, promote responsible financial practices, and align with global standards of financial governance.

Going forward, such digital-led reforms are likely to serve as a catalyst in accelerating India's journey towards a more secure, transparent, and technology-driven financial architecture.

(Source:https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2025/02/financial-services-pov-union-budget-2025-26.pdf.coredownload.pdf)

Shaping the Future of Finance: The Expanding Role of NBFCs in India's Digital Economy

As stated above, Non-Banking Financial Companies ("NBFCs") are expanding faster than India's overall economic growth. From Financial Year 2019 to Financial Year 2024, credit growth by NBFCs is estimated to have grown by a compounded annual growth rate ("CAGR") of **12%**. Their assets under management ("AUM") have significantly increased from less than **Rs. 2,00,000 crore** (US$ 23.74 billion) around the year 2000 to **Rs. 43,00,000** crore (US$ 510.39 billion) by the end of Financial Year 2024. This trend is expected to continue in Financial Year 2025, supported by a rapid revival in the Indian economy and rising consumer demand. Unlike banks, which primarily focus on wholesale lending to large corporates, services, and agriculture sectors, NBFCs have entered retail lending, with 48% of their total credit going to the retail segment, compared to only 34% of total bank credit in Financial Year 2024.

NBFCs have played a crucial role in driving financial inclusion in India. With strong grassroots connections, they cater to people in rural and semi-urban areas who are either unbanked or under banked. They also lend to those without formal credit histories, such as workers in the informal sector. This focus on individual borrowers, especially those from low-income or riskier profiles, makes them an important part of the country's financial ecosystem. The report suggests that NBFCs will continue to grow rapidly, playing a critical role in bridging financial access gaps across the country and supporting the government's broader financial inclusion goals.

(Source: https://www.ibef.org/news/nbfcs-will-continue-to-grow-at-a-faster-pace-have-grown-above-india-s-gdp-historically-report)

Further, the RBI's Master Direction on IT Governance, Risk, Controls and Assurance, effective from April 1, 2024, provides a unified and comprehensive framework for enhancing cybersecurity, IT governance, and operational resilience across banks and NBFCs (Middle, Upper, and Top Layers). It mandates the establishment of dedicated IT governance structures such as an IT Strategy Committee, appointment of a Chief Information Security Officer (CISO), and adoption of formal IT risk management, data protection, and cybersecurity protocols. The direction emphasizes regular risk assessments, audit trails, cryptographic controls, and stringent vendor risk oversight to ensure robust security across all digital financial operations.

This directive is a significant step toward standardizing IT practices across India's financial sector, bringing NBFCs in line with banks in terms of regulatory expectations. It aims to reduce systemic vulnerabilities, safeguard consumer data, and enhance the overall resilience of the financial ecosystem in an increasingly digitized environment.

(Source: https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12562)

KEY REASONS FOR GROWTH

Financial Inclusion and Last-Mile Connectivity

NBFCs have a strong presence in rural and semi-urban areas, serving customers often excluded from the traditional banking system. Their ability to cater to the unbanked and underbanked population, including small entrepreneurs and informal workers, has significantly expanded their reach.

Rising Consumption and Credit Demand

India's expanding middle class, increasing consumerism, and growth in sectors like real estate, infrastructure, and small businesses have driven demand for credit—areas where NBFCs have efficiently positioned themselves.

Diversification of Funding Sources

NBFCs have successfully diversified funding beyond traditional bank loans through **debentures, securitization, and foreign investments**, helping them scale operations and manage liquidity better.

Regulatory Support and Sectoral Reforms

The Reserve Bank of India (RBI) has supported NBFC growth through a structured regulatory framework, promoting innovation while safeguarding financial stability. Initiatives like the **harmonization of NBFC norms** with banks have enhanced trust and transparency. NBFCs offer **tailored financial products** with **simpler documentation** and **faster disbursal**, especially in retail lending, microfinance, vehicle loans, and SME financing. Their flexible credit norms attract borrowers who may not qualify for bank loans.

Economic Growth and Urbanization

India's steady economic growth, increasing urbanization, and a young population have contributed to a greater appetite for credit, which NBFCs are efficiently capitalizing on.

Focus on Underserved Segments

NBFCs have strategically focused on niche segments such as micro-enterprises, used vehicle financing, affordable housing, and education loans—filling the gap left by traditional banks.

Digital Adoption and Technology Integration

The sector has embraced digital lending, data analytics, AI, and fintech partnerships, enabling better customer onboarding, faster credit appraisal, and cost-effective operations—particularly critical during and after the pandemic.

Customized Products and Flexible Lending

NBFCs offer **tailored financial products** with **simpler documentation** and **faster disbursal**, especially in retail lending, microfinance, vehicle loans, and SME financing. Their flexible credit norms attract borrowers who may not qualify for bank loans.

➢ ABOUT COMFORT FINCAP LIMITED

BUSINESS OVERVIEW

The Company was originally incorporated as **Parasnath Textiles Limited ("PTL")** on November 12, 1982 under the Companies Act, 1956 in the State of West Bengal. Initially, the objects of the Company were to carry on the business of manufacturers and dealers in textiles, investment /trading in shares & securities. The Company is registered with Reserve Bank of India ("RBI") as a NBFC on September 15, 1998 being Registration No. **05.02895** and started a NBFC as its core business. Thereafter, the Company's name is changed from Parasnath Textiles Limited to Comfort Fincap Limited with effect from June 04, 2011.

The Comfort Fincap Limited ('CFL' or 'Company' or 'We') is a non-deposit taking Non-Banking Financial Company ("NBFC-ND") registered with the RBI and is classified as an NBFC-Investment and Credit Company (NBFC-ICC). Our Company is primarily focused in providing inter corporate loans, personal loans, loans against shares & securities, loans against properties, trade financing, bills discounting, trading in shares & securities. The Company has positioned itself between the organized banking sector and local money lenders, offering the customers competitive, flexible and timely lending services.

➢ PRODUCTS & SERVICES

Your Company is a Non-Banking Financial Company ("NBFC") engaged in providing a wide spectrum of financial services to commercial, industrial, and financial sector clients. We offer a comprehensive suite of financial solutions under one roof, enabling businesses and individuals to meet their diverse funding and financial management requirements in a seamless and efficient manner.

As an NBFC, we play a critical role in bridging the credit gap within the economy by extending financial support to under-served and niche segments that often face challenges in accessing traditional banking channels. Through tailored products and customer-centric services, we aim to enhance financial inclusion, empower entrepreneurs, and promote economic growth.

Our offerings are designed to address both short-term and long-term financial needs, ranging from working capital finance, loans, and investment solutions to advisory and structured financing services. By combining flexibility, innovation, and deep market understanding, we are positioned to serve as a trusted partner for our clients' growth and expansion journeys.

We operate with a focus on prudent risk management, regulatory compliance, and ethical business practices, thereby ensuring the sustainability of our business model while delivering value to all stakeholders. With a strong commitment to excellence, we continue to strengthen our role as an enabler of credit flow, supporting sectors and communities that form the backbone of the economy.

SUPPLY CHAIN FINANCE

Your Company offers robust Supply Chain Finance (SCF) solutions that are specifically designed to strengthen business ecosystems by supporting both buyers and suppliers across industries. By acting as a trusted financial partner, we provide innovative structures that align the interests of all stakeholders in the value chain.

Through this service, suppliers gain access to early payments at competitive financing rates, thereby unlocking tied-up capital, improving their cash flows, and reducing dependency on costly borrowings. On the other hand, buyers benefit from extended credit periods that enhance their working capital cycle without straining supplier relationships. This dual advantage fosters efficiency, financial stability, and long-term collaboration between trading partners.

Our Supply Chain Finance model creates a win–win framework that not only optimizes liquidity management but also promotes resilience and agility in supply chains. By reducing financial stress, ensuring timely settlements, and improving transparency, we help businesses maintain smooth operations, strengthen trust among partners, and achieve sustainable growth.

"In essence, our Supply Chain Finance services are more than just a financial offering—they are a strategic enabler of business continuity, stronger partnerships, and economic value creation across the supply chain ecosystem."

LOAN AGAINST SECURITIES

Your Company offers specialized Loan Against Securities (LAS) solutions, enabling clients to unlock the value of their financial investments without liquidating them. By pledging marketable securities such as equity shares, mutual fund units, bonds, and other eligible instruments, clients can access short-term liquidity while continuing to retain ownership and all associated corporate benefits, including dividends, bonuses, and rights issues.

This facility is designed to meet immediate funding requirements be it for personal, business, or investment purposes without disrupting long-term investment strategies. Interest is levied only on the actual amount drawn and for the duration of its utilization, providing flexibility and cost efficiency.

It includes various financial tools as follows:

Margin Funding

Margin Funding is a strategic offering that enables investors to enhance their purchasing power in the capital markets by leveraging approved securities. This facility allows clients to invest in additional securities by contributing a portion of the transaction value, while the balance is funded by the NBFC, based on a pre-defined margin and haircut structure.

Under this facility, investors can either bring in a cash margin or pledge eligible securities from a pre-approved list. The margin requirement is determined after applying regulatory and risk-based haircuts, ensuring prudent risk management. This approach allows clients to optimize capital deployment without liquidating their long-term holdings.

Bill Discounting

Bill Discounting helps businesses unlock the value of their receivables and maintain smooth cash flow. Our service involves the purchase of bills of exchange or promissory notes before their maturity date, providing you with immediate access to funds rather than waiting for your customer to make payment.

Once the bill is verified and approved, we credit the discounted value directly to your account—often within a short turnaround time. This empowers your business to manage operations, pay suppliers, or seize new opportunities without delay.

Eligible bills can be used to secure financing of up to 90% of the invoice value, subject to credit assessment and approval. The invoice itself serves as security, typically eliminating the need for additional collateral.

Inter-Corporate Loan

Inter-corporate loan tailored to meet the diverse and evolving financial needs of businesses. These loans are designed to support various stages of corporate growth, from daily operations to long-term strategic expansion. We provide working capital loans that help companies manage their routine operational expenses efficiently, ensuring smooth day-to-day functioning without liquidity stress. For businesses planning, capital investments such as plant expansion, equipment purchase, or infrastructure development, our term loans offer a dependable funding solution with structured repayment schedules.

We also cater to companies in need of quick access to funds through our bridge loan facilities, which are ideal for addressing temporary cash flow gaps or for financing projects that are awaiting long-term funding. For more extensive and capital-intensive ventures, our project finance solutions offer customized structures that align with the scope, scale, and lifecycle of the initiative.

All our inter-corporate loan products are offered at competitive interest rates, with flexible tenures and customized repayment options designed to align with each client's financial strategy. Our team works closely with businesses to understand their requirements and structure solutions that support long-term sustainability and success. With a focus on responsiveness, transparency, and financial discipline, we aim to be a trusted lending partner in your organization's journey toward growth and efficiency.

ESOP Finance

Employees who hold Employee Stock Ownership Plans (ESOPs) from their employers and wish to exercise their stock options can benefit from our specialized ESOP financing solutions. These loans are designed to provide employees with the necessary funds to purchase shares allotted to them under their company's ESOP scheme—without the need to liquidate personal assets or dip into savings.

Our ESOP finance offering is structured on competitive terms, with attractive interest rates, flexible repayment schedules, and minimal processing time. Whether the employee is part of a startup on the verge of an IPO or a senior executive in a mature enterprise, we enable timely access to capital so that they can participate in their company's equity growth.

This form of financing is particularly useful when employees face a short window to exercise their options or when the tax liabilities associated with ESOPs become due at the time of exercise. With our support, employees can unlock long-term wealth creation opportunities while managing immediate financial commitments more effectively.

IPO Financing

IPO Financing offers an effective avenue for investors to capitalize on opportunities in the primary equity markets by leveraging short-term funding. We provide structured IPO financing solutions to corporate entities and high net worth individuals (HNIs), enabling them to enhance their subscription capacity in initial public offerings with minimal upfront capital.

Under this facility, clients are required to contribute only a margin amount, while the balance of the application value is funded by us. This significantly increases the potential allotment size without tying up substantial liquidity.

Our financing process is streamlined for speed, compliance, and efficiency—ensuring clients can act swiftly on high-demand IPOs. With our support, investors can take advantage of attractive market opportunities and maximize their participation in promising listings, while managing capital deployment strategically.

Trade Financing

Trade Financing Solutions is designed to support businesses engaged in domestic and international trade. Our services aim to bridge the working capital gap between shipment of goods and receipt of payment, enabling smooth, uninterrupted trade cycles. Whether you are an importer, exporter, manufacturer, or distributor, our structured trade finance products help optimize cash flows and mitigate transactional risks.

Our offerings include facilities such as pre-shipment finance, post-shipment finance, letter of credit (LC) backed funding, bill discounting, invoice financing, and supply chain finance. These solutions are tailored to meet the specific requirements of your trade operations, ensuring timely access to funds, enhanced credit flexibility, and improved negotiation power with buyers and suppliers.

With a focus on **speed**, **transparency**, and **risk management**, our trade finance solutions are supported by experienced professionals who understand the intricacies of cross-border and domestic transactions.

"Our Loan against Securities solution enables you to unlock the value of your investments without the need to liquidate them."

LOAN AGAINST PROPERTY

A Loan against Property (LAP) is a powerful financial tool that allows you to unlock the value of your owned real estate to meet a wide range of personal or business needs. We provide fast and affordable mortgage loan solutions that enable you to leverage your residential, commercial, or industrial property to access substantial funding while retaining ownership of your asset.

Our mortgage loans are available to salaried individuals, self-employed professionals, and business owners, with customized structures to suit varying income profiles and repayment capacities. The loan amount is determined based on the market value of the property, typically up to a significant percentage, ensuring you get the funds you need when you need them most. With our support, you can achieve financial peace of mind and move forward with confidence.

"We believe your property is more than just a physical asset—it's a gateway to fulfilling your ambitions."

PROMOTER FUNDING

Your Company offer strategic Promoter Funding solutions that enable promoters of well-managed and financially sound companies to unlock the value of their shareholding. This facility allows promoters to raise capital by pledging their equity stake in the operating company, without diluting ownership or disrupting management control.

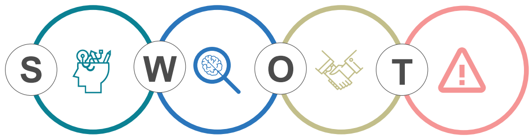
Promoter Funding can be utilized for a wide range of business needs, including expansion of operations, acquisitions, takeover financing, or meeting working capital requirements. It serves as an effective tool for promoters to access liquidity while maintaining alignment with the long-term vision of the company.

Our offering is structured with a deep understanding of capital markets, ensuring flexible loan structures, competitive interest rates, and robust risk assessment frameworks. We work closely with promoters to tailor solutions that align with regulatory norms, market dynamics, and business objectives, providing both discretion and efficiency throughout the funding process.

"With our promoter funding solutions, promoters can act decisively in pursuit of strategic initiatives, with the confidence of a reliable financing partner."

SWOT ANALYSIS

During the financial year 2024–25, our company successfully navigated a dynamic and often challenging market environment by strategically leveraging our core strengths. We maintained operational resilience through prudent financial management and reinforced stakeholder confidence by safeguarding the integrity of our balance sheet.



In response to evolving market demands and increasing digitalization, we adopted new technologies across key business functions—enhancing operational efficiency, improving customer experience, and ensuring scalability for future growth. These initiatives have positioned us well to capitalize on emerging opportunities while mitigating risks associated with economic and regulatory shifts.

STRENGHTS

Strong Relationships with Banks, Institutions, and Investors

We have established deep relationships with leading public and private banks, financial institutions, and investors, ensuring reliable access to capital, strategic partnerships, and valuable market insights.

Clear and Scalable Organizational Structure

Our well-defined and scalable organizational structure supports efficient decision-making, clear role allocation, and seamless adaptation to business growth and changing market conditions.

Diversification of Financial Services through Innovation

We continuously innovate and expand our financial service offerings to meet evolving market demands. This diversification enhances our competitiveness and helps capture new customer segments.

Experienced Senior Management Team

We continuously innovate and expand our financial service offerings to meet evolving market demands. This diversification enhances our competitiveness and helps capture new customer segments.

Technology- Driven Lending

Leveraging advanced technologies capabilities, including data analytics, AI, and digital lending platforms, to optimise customer acquisition and credit risk assessment.

WEAKNESS

Dependency on Key Relationships

A high level of reliance on key relationships with banks, financial institutions, or investors can pose risks if these partnerships are disrupted or adversely affected by shifts in market dynamics.

Organizational Inertia

A rigid or overly hierarchical organizational structure may reduce agility, limit responsiveness to changing customer needs, and slow down innovation—potentially impacting our competitive edge.

Rising Interest Risk

Exposure to fluctuating interest rates can lead to increased borrowing costs, which may impact both our profitability and the affordability of financial products for clients.

OPPORTUNITIES

Expansion Potential

Significant opportunity exists to strategically expand operations across new geographies and untapped markets, thereby increasing market reach and growing the customer base.

Advertising Strategies

Leveraging aggressive and targeted advertising strategies can boost brand recognition, attract new clients, and reinforce the company's position in a competitive financial services landscape.

Technological Advancements

Adoption of modern technologies—such as fintech platforms, automation, and data analytics—can enhance service delivery, improve operational efficiency, and deepen customer engagement through digital channels.

Rising Demand for MSME Financing

The rapid expansion of India's MSME sector presents significant opportunities for targeted financial lending and industry-specific solutions.

Expanding Product Portfolio

Introducing innovative financial products will substantially enrich revenue streams and enhance market presence.

THREATS

Competitive Pressure

Increasing competition from traditional banks, fintech startups, and global financial players can erode market share, compress margins, and impact overall profitability

Regulatory Changes

Frequent changes in regulatory policies, compliance requirements, or government guidelines may lead to increased operational complexity and potential constraints on product offerings.

Economic Volatility

Exposure to macroeconomic factors such as interest rate fluctuations, inflation, and global financial instability may affect customer repayment capacity and increase credit risk.

Interest Rate Volatility

A rise in interest rate may result in increased borrowing costs, thereby adversely affecting lending profitability and the overall cost structure.

➢ INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company firmly believes that a robust and well-integrated internal control framework is fundamental to the efficient functioning and long-term sustainability of the Company. Our internal control mechanisms are structured to align with our scale of operations, ensuring an appropriate balance between risk management and operational efficiency.

We have instituted a comprehensive internal control system that encompasses financial reporting, operational controls, fraud prevention, regulatory compliance, and adherence to corporate governance standards. These systems are designed to ensure integrity, transparency, and accountability across all levels of the organization.

➢ **Our internal control environment is underpinned by:**

- Clearly defined organizational roles, responsibilities, and reporting lines;
- Stringent policies and standard operating procedures across business functions;
- A well-documented delegation of authority matrix and system-based controls;
- Automation and digitization of key processes to minimize manual intervention and associated risks;
- Periodic testing and validation of controls to ensure alignment with industry best practices and evolving regulatory frameworks.

➢ **In addition, the internal control system is enhanced by:**

- Regular internal audits conducted by an independent internal auditor, M/s. AHSP & Co. LLP, Chartered Accountants;
- Ongoing process reviews and risk assessments performed by management;
- Quarterly reporting of audit findings and control effectiveness to the Audit Committee of the Board;
- Continuous monitoring and real-time oversight mechanisms for high-risk and sensitive transactions;
- Timely remedial actions based on internal audit observations and control deficiencies.

The Internal Auditor, M/s. AHSP & Co. LLP, has certified that the Company maintains an adequate and effective system of internal financial controls. Their assessment confirms that controls are operating satisfactorily and meet the statutory requirements as laid down under the Companies Act, 2013.

The Audit Committee periodically reviews the adequacy of internal control systems and ensures the implementation of necessary enhancements. This process is central to fostering trust among stakeholders and upholding the Company's commitment to excellence in governance.

"The Board of Directors reaffirms its commitment to upholding a robust internal control framework that aligns with strategic objectives, reinforces risk management practices, and maximizes shareholder value."

➢ FINANCIAL PERFOMNACE

The summary of Audited (Consolidated and Standalone) financial performance of the Company, for the financial year ended March 31, 2025 is summarized as under:

(Rs. in Lakh, Except EPS)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from Operations	1331.09	1173.23	1331.09	1173.23
Other operating Income	-18.27	222.72	-18.27	222.72
Total Revenue	1312.82	1395.95	1312.82	1395.95
Less: Total Expenditure	624.62	669.97	624.62	669.97
Profit before Tax	688.20	725.98	688.20	725.98
Less: Current Tax Expenses	217.92	153.15	217.92	153.15
Less: Deferred Tax	-23.66	58.26	-23.66	58.26
Less: Tax of earlier years	-15.91	-0.05	-15.91	-0.05
Profit for the year	509.85	514.62	509.85	514.62
Earnings Per Share (EPS)* - Basic	0.88	0.95	0.88	0.95
Earnings Per Share (EPS)* - Diluted	0.86	0.95	0.86	0.95

During the year under review, your Company's total revenue from operations on consolidated basis has been increased to Rs. 1,331.09 lakh as compared to Rs. 1,173.23 lakh in the previous financial year. The net profit changed to Rs. 509.85 lakh as compared to Rs. 514.62 lakh in the previous financial year.

During the year under review, your Company's total revenue from operations on standalone basis has been increased to Rs. 1331.09 lakh as compared to Rs. 1,173.23 lakh in the previous financial year. The net profit changed to Rs. 509.85 lakh as compared to Rs. 514.62 lakh in the previous financial year.

"The management remains focused on enhancing the company's revenue by actively identifying and pursuing new lending and investment opportunities, expanding product offerings, deepening customer reach particularly in underserved segments and leveraging technology to drive operational efficiency and sustainable growth."

➢ HUMAN RESOURCES (HR)

Your Company recognize that our people are our most valuable asset and the cornerstone of our sustained success. As a financial services provider operating in a dynamic and evolving business environment, we continuously invest in our human capital to build a future-ready workforce. As of March 31, 2025, the Company has the total strength of 11 employees, each contributing uniquely to the Company's growth and operational excellence.

We believe in fostering a collaborative, agile, and performance-driven culture, where individuals are empowered to innovate, take ownership, and drive results. Over the years, the Company has consistently evolved its human resource practices to align with emerging workplace trends and the aspirations of a diverse workforce.

We maintains a cordial and harmonious relationship with its employees, with open channels of communication and a high level of mutual respect and trust. Our policies are designed to promote employee well-being, continuous learning, and career development, creating an enabling environment where people can thrive both professionally and personally.

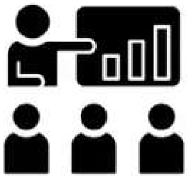
The Nomination and Remuneration Committee ('NRC') plays an instrumental role in reviewing and guiding the career growth plans of senior management. The NRC places significant emphasis on identifying leadership potential, developing internal talent pipelines, and nurturing high-performing individuals who can lead the Company into its next phase of strategic expansion.

✓ **Alignment with Strategic Objectives:**

HR policies and initiatives are designed to support the Company's broader strategic goals, ensuring the workforce contributes effectively to business growth and operational excellence.

✓ **Employee Engagement and Development:**

A people-centric approach is adopted to promote a positive work culture, enhance employee satisfaction, and foster long-term retention.



✓ **Training and Capacity Building:**

Regular training programs, workshops, and skill development initiatives are conducted to equip employees with industry-relevant knowledge and improve performance standards.

✓ **Recruitment and Talent Acquisition:**

The Company emphasizes attracting skilled and competent professionals through a transparent and merit-based recruitment process, ensuring alignment with organizational needs.

✓ **Performance Management and Rewarding Excellence:**

A structured appraisal system is in place to recognize and reward high performers, encouraging a culture of accountability and excellence.

✓ **Value Creation and Business Success:**

Human resources are recognized as a key driver of value creation, with HR strategies directly contributing to the Company's overall productivity, competitiveness, and long-term success.

The Company is committed to being an equal opportunity employer, ensuring non-discrimination in all its practices regardless of gender, religion, ethnicity, or background. We are proud to uphold a diverse and inclusive work environment where every employee is respected and valued.

➢ RISKS & CONCERNS

Risk is an inherent aspect of any business, particularly in the financial services sector, where decision-making often involves a fine balance between risk and reward. Your Company recognize that effective risk management is critical to ensuring sustainable growth, protecting stakeholder interests, and maintaining business resilience. The Company is exposed to a broad spectrum of risks including credit risk, interest rate risk, liquidity risk, economic and geopolitical risks, technology and cybersecurity risks, and unforeseen disruptions such as pandemics. These risks arise from both internal and external factors and can impact various facets of the organization, including products, geographies, asset classes, customer segments, and operational functions.

To address these challenges, the Company has instituted a comprehensive Risk Management Framework that encompasses:

- **Risk Identification:** Systematic recognition of potential internal and external risks that could affect the achievement of business objectives;
- **Risk Assessment:** Evaluating the probability and potential impact of identified risks;
- **Risk Mitigation:** Developing strategic and operational measures to minimize the likelihood or consequences of risks;
- **Monitoring & Reporting:** Continuously measuring the effectiveness of implemented controls and safeguards, and updating them in response to changes in the business or regulatory environment.

Our risk management framework is not a one-time exercise but an ongoing and dynamic process that is fully integrated into the Company's operational and strategic planning. It enables proactive identification and timely mitigation of emerging risks, while also ensuring compliance with applicable regulatory standards.

Key features of our risk governance structure include:

✓ A Board-approved Risk Management Policy, with clearly defined roles and responsibilities;

✓ Regular review of risk exposures and mitigation strategies by the Audit Committee and Risk Management Committee;

✓ Scenario analysis and stress testing to assess resilience under adverse conditions;

✓ Integration of technology to enhance risk detection, control monitoring, and data-driven decision-making;

✓ A strong internal control system that complements the overall risk management process.

We also acknowledge that certain risks are unavoidable and are an intrinsic part of operating in a complex, interconnected financial environment. In such cases, our approach is to build adequate buffers, ensure operational flexibility, and enhance our preparedness to respond swiftly and effectively.

We remains committed to continuously strengthening its risk management capabilities, aligning them with global best practices, and fostering a risk-aware culture across all levels of the organization.

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. Financial instruments affected by market risk include loans and borrowings and deposits.

- **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. This risk exists mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

- **Foreign Currency Risk**

  Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

- **Price Risk**

  The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

- **Trade Receivables**

  Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

- **Other Financial Assets**

  Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

C. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

D. Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The company maintained a positive cash balance during Financial Year 2024 and Financial Year 2025 by adopting a prudent cash management approach. Operating cash flows sufficiently covered daily obligations, while rolling forecasts ensured liquidity for ongoing needs. Surplus funds were held as cash equivalents or invested in low-risk, interest-bearing instruments and debt mutual funds to optimize returns while preserving liquidity. The company actively monitored the maturity profiles of its financial assets and liabilities to maintain funding stability and financial flexibility.

OTHER RISKS

In addition to Market Risk, Credit Risk, Liquidity Risk, and Concentration Risk, NBFCs are exposed to several other types of risks that are crucial to monitor and manage. Here are some key additional risks relevant to NBFCs:

E. Operational Risk

Operational risk arises from inadequate or failed internal processes, people, systems, or external events. This includes: Fraud or misconduct by employees or clients System failures or cyber-attacks Compliance breaches or human errors Outsourcing and third-party dependency risks.

F. Regulatory and Compliance Risk

This is the risk of legal or regulatory sanctions, financial loss, or reputational damage due to failure to comply with applicable laws, regulations, or codes of conduct.

G. Reputation Risk

Reputation risk refers to the potential loss in business or brand value due to negative public perception, poor customer service, regulatory penalties, or adverse media coverage.

H. Strategic Risk

Strategic risk arises from adverse business decisions, improper implementation of strategies, or lack of responsiveness to industry changes.

I. Technology and Cyber-security Risk

As NBFCs increasingly adopt digital platforms, risks associated with cyber-security threats, data breaches, and system vulnerabilities have grown.

J. Capital Risk

This involves the risk of insufficient capital to absorb unexpected losses. NBFCs must maintain adequate capital adequacy ratios as per RBI norms to remain solvent during downturns or stress periods.

K. Funding Risk

This refers to the risk related to the NBFC's ability to raise timely and cost-effective funding. Dependence on a narrow set of funding sources (like banks or capital markets) may expose it to refinancing risks or higher interest costs.

➢ FUTURE OUTLOOK

The Non-Banking Financial Company (NBFC) landscape in India is undergoing a transformative phase, shaped by evolving regulatory frameworks, heightened compliance expectations, and a shifting macroeconomic environment. In this context, Your Company enters Financial Year 2024–25 with a clear strategic vision and a cautiously optimistic outlook.

The Company is focused on enhancing its governance standards, strengthening its risk management architecture, and fostering a culture of agility to respond to market shifts. With steady improvement in domestic consumption and renewed momentum in key lending segments such as micro, small, and medium enterprises (MSMEs), personal finance, and affordable housing, we aims to capitalize on emerging credit demand.

Digital innovation will remain central to our growth agenda. By embracing new-age technologies, we plan to streamline operations, enhance customer experiences, and expand our digital reach, particularly in underserved and semi-urban regions.

Backed by a prudent approach to capital allocation, a customer-centric mindset, and a strong operational foundation, the Company is well-equipped to navigate uncertainties and unlock new opportunities. We are committed to delivering sustainable growth while maintaining regulatory alignment and financial discipline.

➢ DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied the prescribed accounting treatment while preparation of financial statements as per Accounting Standard, thus no disclosure is required to be made thereunder.

➢ CAUTIONARY STATEMENT

Certain statements made in the this Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements', within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make a significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic, natural calamities over which the Company may not have any direct/indirect control.

The management of the Company has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect a true and fair manner, the state of affairs and profit / loss for the year. The narrative on our financial condition and result of operations should be read together with the notes to the financial statements included in the annual report. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax regime, economic developments within India and abroad, financial markets, etc.

INDEPENDENT AUDITOR'S REPORT

To the Members of Comfort Fincap Limited
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Comfort Fincap Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, 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 the 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 standalone 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit, 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 specified under section 143(10) of the Act (SAs). 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director'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 do not express any form of assurance conclusion thereon.

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

The Director's Report is not made available to us at the date of this auditor's report and hence we have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of The Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020, issues by the Central Government of India in terms of sub section (11) of the section 143 of the Companies Act, 2013, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, based on our audit 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 the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

i. The Company has disclosed the impact of pending litigations on its financial statements. Refer Note 27 to financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material forseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any misstatement.

v. According to information and explanation given to us, the Company has not declared any dividend in terms of provision of section 123 of Companies Act, 2013.

vi. As stated in Note 44 to the Financial statements, and based on our examination which included test checks, except for instance mentioned below, the Company in respect of financial year commencing on 1 April 2024, has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same have been 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 in respect of the accounts during such feature is enabled.

(C) With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.(Validate)

For A. R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295

Place: Mumbai
Date: 06th May, 2025

UDIN: 25124295BMJALC2728

ANNEXURE A TO AUDITORS'S REPORT

On the basis of such checks as we considered appropriate and according to the information and explanations given to us, we report that:

1. a) (A) According to information and explanations given to us by the management and records furnished before us, the Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

   (B) According to information and explanations given to us by the management and records furnished before us, the Company does not have any intangible assets. Accordingly, reporting under clause 3(i) (a) (B) of Companies (Auditor's) Report Order, 2020 is not applicable.

   b) The property, plant and equipment have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.

   c) According to the information and explanation given to us and on the basis of records furnished before us, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.

   d) According to the information and explanation given to us and on the basis of records furnished before us, the company has not revalued property, plant & equipment or intangible assets. Therefore, reporting under clause 3(i)(d) of Companies (Auditor's) Report Order, 2020 is not applicable.

   e) According to the information and explanation given to us and on the basis of records furnished before us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereof. Therefore, reporting under clause 3(i)(e) Companies (Auditor's) Report Order, 2020 is not applicable.

2. a) According to information and explanation given to us by the management, the Company's nature of operations does not require it to hold inventories. Accordingly, reporting under clause 3(ii)(a) of Companies (Auditor's) Report Order, 2020 is not applicable.

   b) According to information and explanation given to us by the management and on the basis of records furnished before us, the Company has not been sanctioned working capital limits in excess of five crore rupees from financial institutions on the basis of security of shares held for trading which are part of investments during year. The returns/ statements filed by the company with such financial institutions are in agreement with the books of accounts of the Company.

3. According to the information and explanation given to us and on the basis of records furnished before us, the company has granted unsecured and secured loans to companies, firms, Limited Liability Partnerships and other parties. The Company has not made investments in, provided any guarantee or security to Companies, firms, Limited liability Partnerships or any other entities.

   a) Since the principal business of the company is to give loans, reporting under clause 3(iii)(a) of Companies (Auditor's) Report Order, 2020 is not applicable.

   b) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the terms and conditions of the loans granted are not prejudicial to the company's interest.

   c) & d) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. Refer note 32 to standalone financial statements for summarised details of such loans / advances which are not repaid by borrowers as per stipulations.

   e) Since the principal business of the company is to give loans, reporting under clause 3(iii)(e) of Companies (Auditor's) Report Order, 2020 is not applicable.

   f) Based on our audit procedures and the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

4. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has complied with the provisions of Section 185 and 186 with respect to the loans given to related parties.

5. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not accepted any deposits within the meaning of section 73 to 76 from public during the year. Therefore, clause 3(v) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

6. According to the information and explanation given to us the Company is not required to maintain cost records as specified under section 148 sub-section (1) of the Companies Act, 2013. Therefore clause 3(vi) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

7. a) According to the information and explanations given to us and records examined by us, Company is generally regular in depositing of undisputed statutory dues with respect to Income Tax, Tax Deducted at Source, Provident fund, Goods and Service Tax, etc.. There are no outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

   b) According to information and explanation given to us , there are no disputed statutory dues relating to Income Tax, Cess, Goods and Service Tax or any other statute except as stated below:

Name of statute	Nature of dues	Year(s) to which it pertains	Amount Not Paid (Rs. in Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	2012-2013	1,98,880	Company has Opted for Vivad Se Vishwas Scheme
Income Tax Act,1961	Income Tax Demand	2013-2014	35,64,522	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Dividend Distribution Tax	2013-2014	18,74,294	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Income Tax Demand	2013-2014	60,648	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Dividend Distribution Tax	2016-2017	5,61,100	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Income Tax Demand	2017-2018	1,27,551	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Dividend Distribution Tax	2017-2018	5,47,850	Rectification Application filed with Assessing Officer
Income Tax Act,1961	Income Tax Demand	2018-2019	13,79,256	Rectification Application filed with Assessing Officer

8. According to information and explanation given to us and the records of the Company, the Company has not surrendered or disclosed any transactions previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.

9. (a) According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to any lender as at the Balance Sheet date.

   (b) According to the information and explanations given to us and the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

   (c) According to the information and explanations given to us and the records of the Company, 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 records of the Company, no funds raised on short term basis have been utilized for long-term purposes by the company.

   (e) According to the information and explanations given to us and the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates as defined under Companies Act, 2013. Accordingly, reporting under clause 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

   (f) According to the information and explanations given to us and the records of the Company, the Company has not raised loans during the year on the pledge of securities held in its associates as defined under Companies

Act, 2013. Accordingly, reporting under clause 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable.

10. (a) According to information and explanation given to us by the management and records furnished before us, the company has not raised money by way of initial public offer or further public offer. Accordingly reporting under Clause 3(ix)(a) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

    (b) The Company has issued convertible warrants on preferential basis, during the year under audit, in compliance with the provision of section 62 read with section 42 and other applicable provisions of the Companies Act 2013, read with the rules framed thereunder and the applicable provisions of the regulations issued by Securities and Exchange Board of India and have been used for the purposes for which the funds were raised.

11. (a) According to the information and explanations given to us and based on the examination of books and records of the Company, no fraud by the company or on the company has been noticed or reported during the course of the audit.

    (b) According to information and explanation given to us by the management and records furnished before us, no report under section 143(12) of Companies Act, 2013 has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies(Audit and Auditors) Rules, 2014 with central government.

    (c) According to information and explanation given to us by the management and records furnished before us, the Company has not received any whistle blower complaints during the year.

12. The Company is not a Nidhi Company hence reporting under clause 3(xii) of Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

13. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required to be disclosed under applicable Accounting Standard.

14. (a) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.

    (b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

15. According to the information and explanation given to us, the company has not entered into any non-cash transaction with directors or persons connected with them. Therefore reporting under clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable.

16. (a) The Company is non-banking financial company and is registered under section 45-IA of the Reserve Bank of India Act, 1934.

    (b) According to the information and explanation given to us, the Company has not conducted any non-banking financial or housing finance activities without a valid certificate as per RBI Act, 1934. Accordingly, clause 3(xvi)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable.

    (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, clause 3(xvi) (c) of the Companies (Auditor's Report) Order, 2020 is not applicable.

    (d) According to the information and explanation given to us, the group does not have any CIC. Accordingly, clause 3(xvi) (d) of the Companies (Auditor's Report) Order, 2020 is not applicable.

17. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order Companies (Auditor's) Report Order, 2020 is not applicable.

19. According to the information and explanation given to us and on the basis of 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 audit report that the 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.

20. According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act.

For A. R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295

Place: Mumbai
Date: 06th May, 2025

UDIN: 25124295BMJALC2728

ANNEXURE B TO AUDITORS'S REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Comfort Fincap Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

For A. R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295

Place: Mumbai
Date: 06th May, 2025

UDIN: 25124295BMJALC2728

COMFORT FINCAP

STANDALONE BALANCE SHEET
as at March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025		As at March 31, 2024	
I ASSETS					
(1) Financial Assets					
(a) Cash and cash equivalents	2	**65.60**		1.47	
(b) Bank Balances other than Cash and cash equivalents	3	**265.82**		19.88	
(c) Receivables					
i) Trade Receivables	4	**-**		0.74	
ii) Other Receivables		**-**		-	
(d) Loans	5	**10,009.22**		7,477.53	
(e) Investments	6	**532.10**		611.75	
(f) Other Financial assets (to be specified)			**10,872.74**		8,111.36
(2) Non-Financial Assets					
(a) Property, plant and equipment	7	**59.15**		66.71	
(b) Investment Property	8	**126.14**		126.14	
(c) Other non-financial assets	9	**4.97**	**190.26**	4.50	197.35
TOTAL ASSETS			**11,063.01**		8,308.71
II LIABILITIES AND EQUITY					
Liabilities					
(1) Financial Liabilities					
(a) Payables					
Trade payables due to					
Micro and Small Enterprises; and		**-**		-	
Other than Micro and Small Enterprises	10	**-**		9.25	
(b) Borrowings	11	**2,186.33**		2,606.59	
(c) Other financial liabilities	12	**49.49**		54.09	
			2,235.82		2,669.93
(2) Non-Financial Liabilities					
(a) Current tax liabilities (Net)	13	**71.50**		32.12	
(b) Deferred tax liabilities (Net)	14	**50.40**		75.44	
(c) Provisions	15	**44.06**		33.19	
			165.95		140.75
(3) EQUITY					
(a) Equity Share capital	16	**1,596.61**		1,085.13	
(b) Other Equity*		**7,064.62**	**8,661.23**	4,412.90	5,498.03
TOTAL EQUITY AND LIABILITIES			**11,063.01**		8,308.71
Material Accounting Policies and Notes to Accounts	1				

* Refer Statement of chages in equity

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295
Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(₹ in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2025		For the year ended March 31, 2024	
I	**Revenue from Operations**	17				
(a)	Interest Income		1,328.59		1,160.23	
(b)	Sale of services		2.50		13.00	
	Total Revenue from Operations		1,331.09		1,173.23	
II	Other Income	18	(18.27)		222.72	
III	**Total Income (I + II)**			1,312.82		1,395.95
IV	**Expenses**					
(a)	Finance Costs	19	251.30		267.14	
(b)	Fees and commission expense	20	25.00		32.58	
(c)	Impairment on financial instruments	21	9.45		42.18	
(d)	Employee Benefit Expenses	22	197.21		171.23	
(e)	Depreciation and Amortization Expense	7	7.56		5.08	
(f)	Other Expenses	23	134.10		151.76	
	Total Expense			624.62		669.97
V	**Profit / (loss) before exceptional items and tax (III-IV)**			688.20		725.98
VI	Exceptional Items			-		-
VII	**Profit/(loss) before tax (V-VI)**			688.20		725.98
VIII	**Tax Expense:**					
	(a) Current Tax		217.92		153.15	
	(b) Tax of earlier year		(15.91)		(0.05)	
	(c) Deferred Tax		(23.66)		58.26	
				178.35		211.36
IX	**Profit (Loss) for the period (VII-VIII)**			509.85		514.62
X	**Other Comprehensive Income**					
	A Items that will not be reclassified to profit or loss					
	(i) Remeasurements of the defined benefit plan - gain/ (loss)		(5.53)		(3.42)	
	(ii) Tax impact on above		1.39		0.86	
				(4.14)		(2.56)
XI	**Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**			505.71		512.06
XII	**Earnings Per Equity Share (Face Value Rs. 2/- Per Share)**	24				
	Basic (Rs.)			0.88		0.95
	Diluted (Rs.)			0.86		0.95
	Material Accounting Policies and Notes to Accounts	1				

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

COMFORT FINCAP

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax for the year		**688.20**		725.98
Adjustments for :				
Finance Cost	**251.30**		267.14	
Remeasurement gain / (loss) of the defined benefit plan	**(5.53)**		(3.42)	
Depreciation and amortisation	**7.56**		5.08	
Bad Debts	**7.85**		-	
Realised gain/(loss) on Sale of Investments	**6.35**		-	
Net gain/(loss) on financial instrument at Fair Value through P & L	**21.70**		(214.87)	
Impairment on Financial Instruments	**9.45**	**298.68**	42.18	96.11
Operating Profit before Working Capital change		**986.88**		822.09
Adjustments for :				
Adjustments for (increase) / decrease in operating assets:				
Inventories				
Trade receivables	**0.74**		4.72	
Loans	**(2,548.99)**		(268.24)	
Other financial assets	**-**		-	
In Bank Balance other than Cash and Cash Equivalents	**(245.94)**		2.27	
Other non-financial assets	**(0.47)**	**(2,794.67)**	3.49	(257.76)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	**(9.25)**		-	
Other financial liabilities	**(4.60)**		19.70	
Short-term provisions	**10.87**		7.54	
Long-term provisions	**-**	**(2.98)**	-	27.24
Cash Generated From Operations		**(1,810.76)**		591.57
Income Tax paid		**162.63**		174.65
NET CASH FROM OPERATING ACTIVITIES Total (A)		**(1,973.39)**		416.92
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investment measured at FVTPL	**(32.40)**		-	
Proceeds from Sale of Investment measured at FVTPL	**84.00**			
Purchase of Property, Plant & Equipments	**-**	**51.60**	(69.59)	(69.59)
NET CASH USED IN INVESTING ACTIVITIES Total (B)		**51.60**		(69.59)
CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Capital	**921.57**		-	
Securities Premium	**1,790.18**		-	
Dividend Paid	**(54.26)**		-	
Loan taken / (Repaid) in Secured Loan	**(420.26)**		(154.85)	
Finance Cost	**(251.30)**		(267.14)	
NET CASH FROM FINANCING ACTIVITIES Total (C)		**1,985.93**		(421.99)
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)		**64.13**		(74.67)
Cash and Cash Equivalents -- Opening Balance		**1.47**		76.13
Cash and Cash Equivalents -- Closing Balance		**65.60**		1.47
Material Accounting Policies and Notes to Accounts				

As per our report of even date attached.

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

STANDALONE STATEMENTS OF CHANGES IN EQUITY

for the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

Particulars	Amount (Rs.)
As at 1 April, 2023	**1,085.13**
Changes in equity share capital	**-**
As at 31 March, 2024	**1,085.13**
Changes in equity share capital	**511.48**
As at 31 March, 2025	**1,596.61**

B. OTHER EQUITY

Particulars	Other Equity					
	Reserve and Surplus			Other Compre -hensive Income	Money received against share warrants	Total other Equity
	Share Premium	Special Reserve	Retained Earnings			
As at March 31, 2023	**809.20**	**601.76**	**2,505.52**	**(15.64)**	**-**	**3,900.84**
Total Comprehensive Income for the year	-	-	514.62	(2.56)	-	512.06
Transfer from Profit and Loss	-	102.92	-	-	-	102.92
Transfer to Special Reserve	-	-	(102.92)	-	-	(102.92)
As at March 31, 2024	**809.20**	**704.68**	**2,917.22**	**(18.20)**	**-**	**4,412.90**
Total Comprehensive Income for the year	-	-	509.85	(4.14)	-	505.71
Issue of Equity Shares	1,790.18	-	-	-	-	1,790.18
Money received against share warrants	-	-	-	-	410.09	410.09
Transfer from Profit and Loss	-	101.97	-	-	-	101.97
Transfer to Special Reserve	-	-	(101.97)	-	-	(101.97)
Dividend paid	-	-	(54.26)	-	-	(54.26)
As at March 31, 2025	**2,599.38**	**806.65**	**3,270.84**	**(22.33)**	**410.09**	**7,064.62**

Note : Money received against share warrants : Money received against share warrants consist of 25% upfront money received against issue of preferential convertible warrants pending for conversion into equity shares.

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

STANDALONE NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

NOTE – 1: CORPORATE INFORMATION

Comfort Fincap Limited ("the company" or "CFL") is public company domiciled in India, with its registered office situated at Premises No. 22, Camac Street, Kolkata – 700016 and the corporate office situated at A/301, Hetal Arch, S.V. Road, Malad West, Mumbai – 400 064. The company has been incorporated under provision of Companies Act and its equity is listed on the Bombay Stock Exchange (BSE) in India. The Company is a Non-banking Finance Company (NBFC) which is dedicated to empowering individuals, MSMEs, private and corporate companies, and institutions with tailored financial solutions that drive growth and success. We specialize in providing a comprehensive suite of financial services, including Loan Against Financial Securities, Loan Against Properties, Supply Chain Financing, and Bill Discounting. Our expertise also extends to trading in shares and securities within stock and commodity markets,

As per the master direction issued by Reserve Bank of India ("RBI"): RBI/DOR/2023-24/106, dated 19 October 2023 ("the guidelines"), since the asset size of the company is less than Rs.1000 crores, the Company is classified as Base Layer Non-Banking Financial Company.

MATERIAL ACCOUNTING POLICIES:

A. Basis of Preparation:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company– Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis.

The Company uses accrual basis of accounting except in case of significant uncertainties. These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

B. Presentation of financial statements

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

C. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

D. Revenue Recognition:

i) Interest Income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets the Company recognises interest income as per the management's estimates of its recoverability. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realization if any.

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

ii) **Other Revenue from Operations**

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a) **Net gain on fair value changes**

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

b) **Recoveries of financial assets written off**

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

c) **Dividend Income**

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally shareholders/board approve the dividend.

E. Property, Plant and Equipment:

i) Property, plant and equipment are shown at historical cost inclusive of incidental expenses less accumulated depreciation.

ii) Depreciation on Property, plant and equipment is calculated on straight-line basis over the estimated useful lives of the assets as follows:

Sr. No.	Category	Estimated Useful life
1	Motor Vehicle	10 years
2	Air Condition	10 years
3	Computer and it peripherals	3 Years

iii) Depreciation on Property, plant and equipment are added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

F. Investment Property

Investment properties are properties (including those under construction) held to earn rentals and / or capital appreciation are classified as investment property and are measured and reported at cost including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

As investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

G. Impairment of Non-financial assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

H. Non-current assets held for sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

I. Employee Benefits:

a) **Defined Contribution Plan:** Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) **Defined Benefit Plan:** The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) **Leave entitlement:** Leave encashment payments are accounted for on accrual basis and is treated as short-term employee benefit.

d) **Short-term benefits:** Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

J. Financial instruments:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments.

i) **Financial Assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

a. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified into three categories:

1. **Debt instruments at amortised cost (AC)**

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

2. **Equity Instruments at FVTPL**

   The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

3. **Equity investments designated under FVOCI**

   All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

   All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

c. Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

d. Impairment of Financial Assets

Expected Credit Loss (ECL) is recognised for financial assets held under amortised cost and certain loan commitments.

Expected Credit Loss is recognized and measured as per the Asset Provisioning norms prescribed by the Reserve Bank of India or as per Company's assessment, at the end of each reporting period, of increase/ decrease in credit risk at borrower level and accordingly the Company recognizes a financial asset to be credit impaired by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 6 months.
- The loan is otherwise considered to be in default.

Restructured loans, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to remain credit impaired until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months– post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be removed from the credit impaired category and a fresh assessment of the risk of default be done for such loans.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

a. Initial Measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

b. Subsequent Measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

c. Derecognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

iv) Investment in subsidiaries and associates

Investment in subsidiaries and associates is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

K. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i) the contract involves the use of an identified asset

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below: -

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 underlying assets (i.e. 30 and 60 years)

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. The right-of-use assets are also subject to impairment.

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 (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 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.

"Lease liability" and "Right of Use" asset is separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

L. Borrowing Costs:

(a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its untended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(b) All other borrowing costs are recognized as expense in the period in which they are incurred.

M. Taxation

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using tax rates and laws that have been substantively enacted as of the balance sheet date.

N. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculation diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

O. Provisions and Contingent Liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

P. Fair Value Measurement

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For detailed information on the fair value hierarchy, refer note no. 25 and note no. 26.

For assets and liabilities that are fair valued 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. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 2 - CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Cash & Cash Equivalents				
(a) Balances with Banks :				
- Current Accounts	64.63		0.31	
- Deposits	-	64.63	-	0.31
(b) Cash-in-hand		0.97		1.16
TOTAL		**65.60**		**1.47**

NOTE 3 - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balance with bank - against unclaimed dividend	5.56	9.62
Fixed Deposit - encumbered lien marked against OD facility	260.00	10.00
Escrow Account Balance	0.26	0.26
TOTAL	**265.82**	**19.88**

NOTE 4 - TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Undisputed Trade receivables*	-	0.74
Disputed Trade receivables		
TOTAL	**-**	**0.74**

*Refer note no. 30 for Trade receivable ageing schedule

NOTE 5 - LOANS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
At amortised cost				
i) Advances Considered good & in respect of which Company is fully secured	8,992.51		6,782.05	
Less: Impairment loss allowance	(35.98)	8,956.53	(27.19)	6,754.86
ii) Advances Considered good for which Company holds no Security other than personal security	1,056.92		615.06	
Less: Impairment loss allowance	(4.23)	1,052.69	(2.46)	612.60
iii) Sub-Standard Advances in respect of which Company is;				
Un-Secured	-		11.19	
Less: Impairment loss allowance	-	-	(1.12)	10.07
iv) Doubtful Advances in respect of which Company is;				
Secured	-		200.00	
Un-Secured	50.00		50.00	
Less: Impairment loss allowance	(50.00)	-	(150.00)	100.00
TOTAL		**10,009.22**		**7,477.53**

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 6 - INVESTMENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At Fair Value through Profit and Loss Account		
In Equity Instruments	286.10	365.75
At Cost		
In Equity Shares of Associate Companies - Unquoted Fully paid-up		
2,20,000 (P.Y. 2,20,000) Equity Shares of Lemonade Share & Securiteis Pvt. Ltd. (F.V. Rs. 10/- each)	220.00	220.00
In Equity Shares of Other Companies - Unquoted Fully paid-up		
2,00,000 (P.Y. 2,00,000) Equity Shares of Liquors India Limited (F.V. Rs. 10/- each)	26.00	26.00
TOTAL	**532.10**	**611.75**

NOTE : 7 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at April 1, 2024	Additions	Disposals	Balance as at March 31, 2025	Balance as at April 1, 2024	Depreciation/ amortisation expense for the year	Other adjustments	Balance as at March 31, 2025	Balance as at March 31, 2025	Balance as at March 31, 2024
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Computer	1.12	-	-	1.12	0.37	0.37	-	0.75	0.37	0.75
Air Condition	2.23	-	-	2.23	1.38	0.22	-	1.60	0.63	0.85
Motor Vehicle	69.59		-	69.59	4.48	6.96	-	11.44	58.15	65.11
Total	**72.94**	**-**	**-**	**72.94**	**6.24**	**7.56**	**-**	**13.79**	**59.15**	**66.71**
Previous year	**3.35**	**69.59**	**-**	**72.94**	**1.16**	**5.08**	**-**	**6.24**	**66.71**	**2.19**

NOTE 8 - INVESTMENT IN PROPERTY

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Property	126.14	126.14
TOTAL	**126.14**	**126.14**

'*The fair value of the Company's investment properties at the end of the year have been determined on the basis of valuation carried out by the Registered Valuer. The fair value measurement for all of the investment properties has been categorised as a Level 2 fair value measurement. Total fair value of Investment Properties is Rs. 157 Lakh.

NOTE 9 - OTHER NON-FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Prepaid Expenses	0.36	0.86
(b) FDR Interest receivable	0.68	-
(c) Other Advances	1.03	3.25
(d) Balance with Government Authorities	2.51	-
(e) TDS deposit with Exchange	0.40	0.40
TOTAL	**4.97**	4.50

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 10 - TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables	-	9.25
TOTAL	**-**	**9.25**

*Refer note no. 33 for Trade payables ageing schedule

NOTE 11 - BORROWINGS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
At Amortised Cost				
(a) Loans repayable on demand				
From banks				
Secured*	87.55		197.08	
Unsecured	-	87.55	-	197.08
(b) Loans and advances from Others				
Secured**	2,098.78		2,409.51	
Unsecured	-	2,098.78	-	2,409.51
TOTAL		**2,186.33**		**2,606.59**

Note:

*i. Secured loans are lien on FDR kept with bank.The interest rate on this facility is FD Interest Rate+1% .

ii. The outstanding balance auto loan of Rs. 43.30 Lakhs from Axis Bank is secured by hypothecation of the vehicle.The loan carries an interest rate of 8.6% p.a. and is repayable in equal monthly instalments. There have been no defaults in repayment of principal and interest during the period.

** Secured loans are taken on securities held by the Company. The interest rate on these facilities are ranging from 9.25% to 12.00%.

NOTE 12 - OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Payables	43.92	44.47
Un-paid Dividend	5.56	9.62
TOTAL	**49.49**	**54.09**

NOTE 13 - CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Taxation (net of Advance tax & TDS)	71.50	32.12
TOTAL	**71.50**	**32.12**

*Refer note no. 31

STANDALONE NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

NOTE 14 - DEFERRED TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Deferred Tax Liabiliites/(Assets) relates to the following				
Depreciation and amortisation	1.67		1.19	
Gratuity	(11.09)		(8.35)	
Unrealised net gain on fair value changes	59.82	50.40	82.61	75.44
TOTAL		**50.40**		**75.44**

*Refer note no. 31

NOTE 15 - PROVISIONS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
- Gratuity	44.06	33.19
TOTAL	**44.06**	**33.19**

*Refer note 28

NOTE 16 -EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised :		
12,50,00,000 Equity Shares (Previous Year 7,50,00,000) of Rs. 2/- each	2,500.00	1,500.00
TOTAL	**2,500.00**	**1,500.00**
Issued and Subscribed :		
7,98,30,500 Equity Shares (Previous Year 5,42,56,500) of Rs. 2/- each	1,596.61	1,085.13
TOTAL	**1,596.61**	**1,085.13**
Subscribed and Paid-up :		
7,98,30,500 Equity Shares (Previous Year 5,42,56,500) of Rs. 2/- each	1,596.61	1,085.13
TOTAL	**1,596.61**	**1,085.13**

NOTES:-

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

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Number of shares at the beginning of the year		5,42,56,500		5,42,56,500
Add: Issue of Shares during the year				
Number of shares alloted as fully paid-up during the year	2,55,74,000		-	
		2,55,74,000		-
No. of shares at the end of the year		**7,98,30,500**		**5,42,56,500**

(b) Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

will be in proportion to the number of equity shares held by the shareholders.The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

(c) Details of shareholders holding more than 5% shares in the company

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	%	No. of Shares	%
Luharuka Commotrade Pvt Ltd	2,11,16,005	26.45	2,11,16,005	38.92
Anil Agarwal HUF	58,20,000	7.29	58,20,000	10.73
Luharuka Sales & Service Pvt Ltd	49,52,865	6.20	35,50,962	6.54
Luharuka Investment & Consultants Pvt Ltd	1,09,00,000	13.65	-	-

(d) Details of Shares in the company held by each promoter as at the end of the year at March 31, 2025

(Rs. in Lakhs)

Promoters Name	As at March 31, 2025		% Change during the Year
	No. of Shares	%	
Anil Agrawal HUF	58,20,000	7.29	-32.06%
Luharuka Sales & Services Private Limited	49,52,865	6.20	-5.20%
Luharuka Commotrade Private Limited	2,11,16,005	26.45	-32.04%
Luharuka Investment & Consultants Pvt Ltd.	1,09,00,000	13.65	0

Details of Shares in the company held by each promoter as at the end of the year at March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024		% Change during the Year
	No. of Shares	%	
Anil Agrawal HUF	58,20,000	10.73	0
Luharuka Sales & Services Private Limited	35,50,962	6.54	1.1
Luharuka Commotrade Private Limited	2,11,16,005	38.92	0

Please note that the percentage change mentioned herein reflects the impact of the Preferential Issue of Equity Shares. The paid-up share capital of the Company as of March 31, 2025, stood at Rs. 1,596.61 Lakhs, whereas the paid-up share capital as of March 31,2024 is Rs. 1,085.13 Lakhs.

NOTE 17 – REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest Income		
From Loans & Advances	1,328.59	1,160.23
	1,328.59	1,160.23
(b) Sale of Services		
Financial Advisory & Consultancy	2.50	13.00
TOTAL	**1,331.09**	**1,173.23**

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 18 - OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(a) Net Gain on Fair Value Changes				
Profit/(loss)from Sale of Equity Instruments held for trading	(6.35)		-	
Change in Fair Value of Equity Instruments held for trading	(21.70)		214.87	
		(28.05)		214.87
(b) Dividend Income		2.32		1.99
(c) Interest from Term deposits		1.34		0.65
(d) Recovery of Written of Financial Assets		5.00		5.00
(e) Other Misc. income		1.13		0.20
TOTAL		**(18.27)**		**222.72**

NOTE 19 - FINANCIAL COSTS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expenses	251.30	267.14
TOTAL	**251.30**	**267.14**

NOTE 20 - FEES AND COMMISSION EXPENSE

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Commission Expenses	25.00	32.58
TOTAL	**25.00**	**32.58**

NOTE 21 - IMPAIRMENT ON FINANCIAL INSTRUMENTS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On Loans - at amortised cost	9.45	42.18
TOTAL	**9.45**	**42.18**

NOTE 22 - EMPLOYMENT BENEFIT EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Bonus & Allowances	183.73	156.84
PF Expenses	0.97	0.96
Staff Insurance Expenses	2.20	1.08
Staff Welfare Expenses	4.97	8.24
Gratuity Expense	5.34	4.11
TOTAL	**197.21**	**171.23**

STANDALONE NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

NOTE 23 - OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Advertisement Expenses		2.27		1.36
Annual Listing fees		3.54		3.92
Bad-Debts / loans w/off		7.85		1.62
Business promotion expenses		11.16		31.68
Expense towards Corporate Social Responsibility		11.50		12.25
Custodial Fees		1.51		1.09
Director's Sitting Fees		4.36		3.71
Insurance Expenses		1.37		1.79
Legal, Professional & Technical Charges		35.52		22.66
Miscellaneous Expenses		12.89		14.95
Printing, Postage & Stationery Expenses		2.11		2.06
Professional Tax		0.08		0.21
Payments to Auditors :				
- Audit & Tax Audit fees	3.75		3.60	
- For Other Services	-	3.75	-	3.60
Travelling & Conveyance Expenses		18.69		26.19
Telephone Expenses		3.41		2.66
Repairs & Maintenance Expenses		4.80		3.51
Rent Expenses		6.41		6.00
Share Trading Expense		2.90		-
Settlement Compensation paid		-		12.50
TOTAL		**134.10**		**151.76**

NOTE 24 - EARNINGS PER EQUITY SHARE

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(a) Net profit after tax attributable to equity shareholders for Basic EPS	509.85		514.62	
Add/Less: Adjustment relating to potential equity shares	-	509.85	-	514.62
Net profit after tax attributable to equity shareholders for Diluted EPS		**509.85**		**514.62**
(b) Weighted average no. of equity shares outstanding during the year				
For Basic EPS		5,80,42,960		5,42,56,500
For Diluted EPS		5,92,97,683		5,42,56,500
(c) Face Value per Equity Share (Rs.)		2.00		2.00
Basic EPS		0.88		0.95
Diluted EPS		0.86		0.95

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 25- FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price),regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

This note describes the fair value measurement of both financial and non-financial instruments.

Valuation Framework

The Group has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

The Group's valuation framework includes:

Benchmarking prices against observable market prices or other independent sources;

Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation Framework

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

Fair values of Investments held for trading under FVTPL have been determined under level 1 (refer note no. 26) using quoted market prices of the underlying instruments;

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

NOTE 26- FAIR VALUE HIERARCHY

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

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

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

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

STANDALONE NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2025

(Rs. in Lakhs)

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Investments held for trading under FVTPL	3/31/2025	286.10	-	-	286.10
Equity instrument classified under FVOCI	3/31/2025	-	-	-	-

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2024

(Rs. in Lakhs)

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held for trading under FVTPL	3/31/2024	365.75	-	-	365.75
Equity instrument classified under FVOCI	3/31/2024	-	-	-	-

Fair Value of Financial Instruments not measured at fair value as at March 31, 2025

(Rs. in Lakhs)

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Financial Assets					
Cash and cash equivalents	65.60	65.60	-	-	65.60
Bank Balances other than Cash and cash equivalents	265.82	265.82	-	-	265.82
Receivables					
i) Trade Receivables	-	-	-	-	-
ii) Other Receivables	-	-	-	-	-
Loans	10,009.22	-	-	10,009.22	10,009.22
Investments	246.00	-	-	246.00	246.00
Other Financial assets (to be specified)	-	-	-	-	-
Financial Liabilities					
Payables					
Trade payables due to					
Micro and Small Enterprises; and	-				
Other than Micro and Small Enterprises	-	-	-	-	-
Borrowings	2,186.33	-	-	2,186.33	2,186.33
Other financial liabilities	49.49	-	-	49.49	49.49

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

Fair Value of Financial Instruments not measured at fair value as at March 31, 2024

(Rs. in Lakhs)

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets					
Cash and cash equivalents	1.47	1.47	-	-	1.47
Bank Balances other than Cash and cash equivalents	19.88	19.88	-	-	19.88
Receivables					
i) Trade Receivables	0.74	-	-	0.74	0.74
ii) Other Receivables	-	-	-	-	-
Loans	7,477.53	-	-	7,477.53	7,477.53
Investments	246.00	-	-	246.00	246.00
Other Financial assets (to be specified)	-	-	-	-	-
Financial Liabilities					
Payables					
Trade payables due to					
Micro and Small Enterprises; and	-				
Other than Micro and Small Enterprises	9.25	-	-	9.25	9.25
Borrowings	2,606.59	-	-	2,606.59	2,606.59
Other financial liabilities	54.09	-	-	54.09	54.09

27. CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
i) Contingent Liabilities		
a) Income Tax demand *	83.14	35.15
(Appeal/rectification has been filed against the order)		
ii) Commitments:		
Estimated number of contracts remaining to be executed on capital account	-	-

*In addition to the above there is a demand of Rs.18.74 lakhs, Rs. 5.61 lakhs & Rs. 5.48 lakhs for AY 2013-14 AY 2016-17 and AY 2017-18 respectively u/s 115O in respect of DDT for which company had already discharge the DDT liability and filed the offline manual submission to the AO and also online response raised under grievance for rectification of same.

28. EMPLOYEE RETIREMENT BENEFITS:

Disclosure on Retirement Benefits as required in Indian Accounting Standard (Ind AS) 19 on "Employee Benefits" are given below:

i. Expenses Recognized in the Statement of Profit & loss

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Current Service Cost	2.95	2.22
Net interest Cost	2,39	1.89
Past Service Cost-recognized	-	-
Expenses Recognized in the Statement of Profit & loss	**5.34**	**4.11**

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

ii. Expenses Recognized in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Actuarial (Gains)/Losses on Obligation for the Period	5.52	3.42
Return on Plan Assets, Excluding Interest Income	-	-
Expenses Recognized in Other Comprehensive Income	**5.52**	**3.42**

iii. Net Liability/(Asset) Recognized in the Balance Sheet

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Current Liability	3.90	3.10
Non-Current Liability	40.15	30.08
Net Liability/(Asset) Recognized in the Balance Sheet	**44.05**	**33.18**

Actuarial assumptions

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Expected Return on Plan Assets	N.A.	N. A
Rate of Discounting	6.61%	7.19%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The Company has a defined benefit gratuity plan in India (unfunded). The Company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from Company as and when it becomes due and is paid as per Company scheme for Gratuity.

Risks associated with defined benefit plan: Gratuity is a defined benefit plan and entity is exposed to the following Risks

a. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

b. Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

c. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

d. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Characteristics of defined benefit plans:

a. During the year, there were no plan amendments, curtailments and settlements.

b. Gratuity plan is unfunded.

29. FOREIGN CURRENCY TRANSACTIONS:

The unhedged foreign currency exposure as on March 31, 2025 is Rs. Nil (Previous year Rs. Nil).

Foreign Exchange earnings - Nil (Nil)

Foreign Exchange outgo - Nil (Nil)

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

30. TRADE RECEIVABLES AGEING SCHEDULE

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of receipt					Total
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	- -	- -	- (0.74	- -	- -	- (0.74)
(ii) Undisputed Trade receivables - which have significant increase in risk	- -	- -	- -	- -	- -	- -
(iii) Undisputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(iv) Disputed Trade receivables - Considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade receivables - which have significant increase in risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
Total	**-**	**-**	**(0.74)**	**-**	**-**	**(0.74)**

Figure in bracket relates to previous year

31. CURRENT INCOME TAX LIABILITIES (NET) :

i. Component of Income Tax Expense

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Tax Expense in Profit and Loss		
Current Year Tax	217.92	153.15
Adjustment related to Previous Years	(15.91)	(0.05)
(A)	202.01	153.10
Current Year Deferred Tax	(23.66)	58.26
Adjustment related to Previous Years	-	-
(B)	(23.66)	58.26
Total (A+B)	**178.35**	**211.36**
Tax Expense in Other Comprehensive Income		
Gain/(Loss) on re-measurement of net benefit plan	1.39	0.86
Total	**1.39**	**0.86**

ii. Reconciliation of Effective Tax Rate: The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Statutory Income Tax Rate	25.17%	25.17%
Tax Amount at Statutory Tax Rate	173.21	182.71
Corporate Social Responsibility	2.89	3.08
Stock Adjustment	-	3.66
Provision for advances	-	17.71

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Others	10.65	-
Interest on Income Tax	7.52	4.24
Tax adjustment of PY	(15.91)	(0.05)
Tax at effective Rate	**178.35**	**211.36**
Effective Tax Rate	**25.92%**	**29.11%**

Deferred Tax Liabilities (net)

(Rs. in Lakhs)

Particulars	Difference between book base and tax base of PPE	Expenses allowable on payment basis	Changes in Fair Value	Net deferred tax Liabilities/ (assets)
As at March 31, 2023	(0.37)	(6.46)	24.87	18.05
Charged / (credited)				
- to profit or loss	1.56	(1.06)	57.74	58.26
- to other comprehensive income	-	(0.86)	-	(0.86)
As at March 31, 2024	1.19	(8.35)	82.61	75.44
Charged / (credited)				
- to profit or loss	0.48	(1.34)	(22.79)	(23.66)
- to other comprehensive income	-	(1.39)		(1.39)
As at March 31, 2025	**1.67**	**(11.09)**	**59.82**	**50.40**

32. LOANS GIVEN:

a. **Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:**

(Rs. in Lakhs)

Particulars	2024-2025 (Rs.)	2023-2024 (Rs.)
Secured against Immovable Property	131.78	336.98
Secured against Shares	8,860.74	6,159.28
Secured against Trade Receivables	-	485.79

b. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company is equal to the total provision required under IRACP (including standard asset provisioning), as at March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

c. The below table depicts classification of Overdue loans outstanding as on March 31, 2025.

(Rs. in Lakhs)

Sr. No.	Type of Assets	Overdue Account Count	Principle Overdue Amount	Interest Overdue Amount
1	Standard Asset	2	65.00	8.22
		1	-	(5.63)
2	Sub Standard Asset		-	-
		1	(6.37)	(6.37)
3	Doubtful Asset	1	50.00	36.75
		2	(250.00)	(115.34)

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

33. TRADE PAYABLES AGEING SCHEDULE

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of receipt				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	(9.25)	(9.25)
Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**(9.25)**	**(9.25)**

Figure in bracket relates to previous year.

34. There are no dues to Micro and Small Enterprises as at March 31, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

35. Corporate Social Responsibility: - As per Section 135 of Companies Act, 2013 a company meeting the applicability threshold, needs to spend at least 2% of its average net profit of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The CSR initiatives are focused towards those programme directly or indirectly, benefit the community and society, at large. The Company's CSR activity primarily focuses on programs that promote education, gender equality empowering women and development of rural areas.

(Rs. in Lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
i) Amount required to be spent by the company during the year	11.41	12.21
ii) Amount of expenditure incurred	11.50	12.25
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Details of related party transactions	Refer note no. 36	

36. In accordance with Accounting standard 'Ind AS -24' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

A. Name of the related parties & description of relationship

a) Key Managerial Personnel : Mr. Ankur Agrawal (Director)
Mrs. Nirmala H. Kanjar (CFO)
Mr. Bharat Shiroya (CEO)
Ms. Sneha Mandelia (CS & Compliance Officer)

b) Promoters and their relatives : Anil Agrawal –HUF (Promoter)
Luharuka Commotrade Pvt. Ltd. (Promoter)
Luharuka Sales & Services Pvt. Ltd. (Promoter)
Mrs. Annu Agrawal (Relative)
Ms. Deepika Agrawal (Relative)
Mr. Anil Agrawal (Relative)

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

c) Associate Company	:	Lemonade Share & Securities Pvt. Ltd.
d) i. KMP or relative of KMP having substantial interest	:	Comfort Securities Limited Comfort Intech Limited Comfort Commotrade Limited Comfort Capital Pvt. Ltd. Flora Fountain Properties Ltd. Luharuka Exports Pvt. Ltd. Luharuka Investment & Consultants Pvt. Ltd Seth Govindram Charitable Trust
ii. Directors	:	Mr. Devendra Lal Thakur (Director) Mr. Milin Ramani (Director) Mrs. Apeksha Kadam (Director)

B. Transactions during the year with related parties: -

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
1	**i) Loan Given**			
	Comfort Securities Ltd.	- -	- -	6,731.00 (4,696.96)
	Deepika Agrawal	- -	- (215.50)	- -
	Luharuka Media & Infra Ltd	- -	- -	300.00 -
	Liquors India Ltd	- -	- -	500.00 -
	Comfort Capital Pvt Ltd.	 -	- -	826.00 (292.00)
	Luharuka Investment & Consultants Pvt. Ltd.	- -	- -	- (40.00)
	Flora Fountain properties Ltd.	- -	- -	2,055.00 (3,120.00)
	Comfort Commotrade Ltd	- -	- -	2,499.00 (2,701.00)
	ii) Loan Received Back			
	Anil Agrawal	- -	- (71.90)	- -
	Flora Fountain properties Ltd.	- -	- -	2,550.16 (2,923.44)
	Luharuka Media & Infra Ltd	- -	- -	301.70 -
	Comfort Securities Ltd	- -	- -	7,829.85 (3,303.00)

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
	Deepika Agrawal	- -	- (923.78)	- -
	Liquors India Ltd	- -	- -	175.00
	Luharuka Investment & Consultants Pvt. Ltd.	- -	- -	- (124.35)
	Comfort Commotrade Ltd.	- -	- -	2,119.84 (3,310.00)
	Comfort Capital Pvt. Ltd.	- -	- -	622.59 (87.52)
2	**i) Loan taken**			
	Comfort Intech Limited	- -	- -	- (625.00)
	ii) Loan Repaid			
	Comfort Intech Limited	- -	- -	- (1,478.94)
3	**Contribution to Equity**			
	Luharuka Sales and Service Pvt Ltd	- -	- -	99.00 -
	Luharuka Investment & Consultants Pvt Ltd	- -	- -	981.00 -
	Devendra Lal Thakur	81.00 -	- -	- -
	Money received against Preferential warrants			
	Luharuka Investment & Consultants Pvt Ltd	- -	- -	292.50 -
4	**Income**			
	Anil Agrawal	- -	- (4.04)	- -
	Deepika Agrawal	- -	- (37.88)	- -
	Luharuka Media & Infra Ltd	- -	- -	1.89 -
	Luharuka Investment & Consultants Pvt. Ltd.	- -	- -	- (2.51)
	Flora Fountain properties Ltd.	- -	- -	84.92 (73.06)
	Comfort Securities Ltd	- -	- -	196.91 (168.36)
	Comfort Commotrade Ltd	- -	- -	133.33 (133.21)
	Comfort Capital Pvt. Ltd.	- -	- -	29.53 (1.81)
	Expenses			
	Brokerage Paid			
	Comfort Securities Limited	- -	- -	0.87 (0.80)

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
	Office Rent Paid			
	Anil Agrawal –HUF	- -	6.00 (6.00)	- -
	Remuneration			
	Bharat Shiroya	26.36 (26.00)	- -	- -
	Nirmala H Kanjar	19.25 (15.25)	- -	- -
	Deepika Agrawal	- -	35.00 (35.00)	- -
	Ankur Agrawal	45.86 (47.00)	- -	- -
	Sneha Mandelia	12.94 (8.90)	- -	- -
	Interest Paid			
	Comfort Intech Limited	- -	- -	- (53.87)
	Director Sitting fee Paid			
	Devendra Lal Thakur	- -	- -	1.15 (0.90)
	Milin Ramani	- -	- -	1.15 (0.90)
	Ankur Agrawal	1.05 (0.80)	- -	- -
	Apeksha Kadam	- -	- -	0.65 (0.80)
	Corporate Social Responsibility (CSR)			
	Seth Govindram Charitable Trust	- -	- -	11.50 (12.25)
	Amount outstanding as at Balance Sheet date			
	Loan Given			
	Flora Fountain Properties Ltd.	-	-	- (418.73)
	Comfort Capital Pvt. Ltd.	- -	- -	436.10 (206.11)
	Liquors India Ltd.	-	-	331.10 -
	Comfort Commotrade Ltd.	-	-	1,222.52 (723.36)
	Comfort Securities Ltd.	-	-	1,050.00 (1,871.63)
	Salary Advance Given			
	Ankur Agrawal	- (3.25)	- -	- -

Figure in bracket relates to previous year.

STANDALONE NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

37. Segment Reporting: In the opinion of the Management, the Company is operating in a single segment only as per the provisions of the Ind AS 108.

38. FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

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. Financial instruments affected by market risk include loans and borrowings and deposits.

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. This risk exists mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Price Risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

B. Credit Risk: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

Trade Receivables: Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

Other Financial Assets: Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

C. Excessive risk concentration: Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

D. Liquidity risk: Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of internal financing by way of daily cash flow projection to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability of funds.

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

Management monitors daily and monthly rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried in accordance with standard guidelines. The Company has liquidity reserves in the form of highly liquid assets like cash and cash equivalents, debt based mutual funds, deposit accounts, etc.

39. **Capital management:** The primary objective of the Company's capital management is to maximise the shareholder's wealth. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is total debt divided by total equity.

(Rs. in Lakhs)

Particulars	2024-2025 (Rs.)	2023-2024 (Rs.)
Total debt	2,186.33	2,606.59
Total Equity	8,661.23	5,498.03
Total debt to equity ratio (Gearing ratio)	0.25	0.47

In the long run, the Company's strategy is to continue to maintain the gearing ratio. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current or previous financial year.

40. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as

a. Title Deeds of Immovable Property not held in name of Company: Title deeds of immovable property are held in the name of the Company.

b. Disclosure on Revaluation of Assets: The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

c. Details of benami property held: 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.

d. Borrowings against current assets: The returns or statements submitted by the company to lenders are in agreement with books of accounts. There are no material discepancies observed in resturns or statements submitted by the company to lenders.

e. Wilful defaulter: The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

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

h. Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

i. Utilisation of borrowed funds and share premium: The Company has not received securities premium through issue of equity and preference shares during the year ended March 31, 2025, and year ended March 31, 2024. There is no understanding with investors, in writing or otherwise, to lend or invest in other person or entities, directly or indirectly or provide any guarantee, security or the like to or on behalf of the said investors. The management has absolute discretion on use of such funds. Hence, the additional regulatory disclosure with respect to the utilisation of borrowed funds and share premium are not included in these financial statements.

j. Compliance with approved scheme of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

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

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

41. ANALYTICAL RATIOS

S.N.	Particular	Numerator	Denominator	2024-25	2023-24	% Variance	Reason for variance (if above 25%)
(a)	Capital to risk-weighted assets ratio (CRAR)	Tier I CRAR + Tier II CRAR	Risk Weighted Assets	54.34%	32.63%	66.56	Reduction in Exposure to the Group Companies
(b)	Tier I CRAR	Tier I	Risk Weighted Assets	53.51%	30.49%	75.49	
(c)	Tier II CRAR	Tier II	Risk Weighted Assets	0.83%	2.13%	-60.95	NA

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned Fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Tier II capital" includes the following –

(a) preference shares other than those which are compulsorily convertible into equity;

(b) revaluation reserves at discounted rate of fifty five percent;

(c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets. 12 month expected credit loss (ECL) allowances for financial instruments i.e. where the credit risk has not increased significantly since initial recognition, shall be included under general provisions and loss reserves in Tier II capital within the limits specified by extant regulations. Lifetime ECL shall not be reckoned for regulatory capital (numerator) while it shall be reduced from the risk weighted assets.

(d) hybrid debt capital instruments; and

(e) subordinated debt to the extent the aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets –

Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off- balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio.

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

42. DISCLOSURE REQUIREMENTS UNDER SCALE BASED REGULATION FOR NBFC:

1. Exposure to Real Estate Sector:

(Rs. in Lakhs)

Category	2024-2025	2023-2024
i) Direct exposure		
a) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	3.03	206.35
b) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	128.75	130.63
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –	-	-
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	**131.78**	**336.98**

2. Exposure to Capital Market

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
i) 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	6,588.22	3,564.29
ii) Financing to stockbrokers for margin trading	2,272.52	2,594.99
Total exposure to capital market	8,860.74	6,159.28

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

3. Sectoral Exposure

(Rs. in Lakhs)

Sectors	2024-2025			2023-2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
3. Service						
3.1 Trading						
3.1.1 Wholesale Trade	529.87	-	-	1,223.30	-	-
3.1.2 Retail Trade	-	-	-	915.19	-	-
3.1.3 Other Services - Margin Funding	2,613.42	-	-	3,045.52	-	-
3.2 NBFC	-	-	-	-	-	-
3.3 Professional Services	253.19	-	-	653.45	-	-
3.4 Other Services	1,012.02	-	-	-	-	-
4. Personal Loans						
4.1 Advance to individual against shares, bonds etc.	2,821.66	-	-	1,126.75	-	-
4.2 Other personal loans	72.89	-	-	264.18	211.19	79.94%
5. Construction	652.65	50.00	7.66%	280.21	50.00	17.84%
6. Priority Sector Education	149.57	-	-	149.68	-	-
7. Beverage and Tobacco	331.10	-	-	-	-	-
8. Infrastructure – Power	506.56	-	-	-	-	-
9. Food Processing	506.50	-	-	-	-	-
10. Chemicals and Chemical Products	650.00	-	-	-	-	-
Total	**10,099.43**	**50.00**	**-**	**7,658.29**	**261.19**	**-**

4. **Intra-group exposures:** NBFCs shall make the following disclosures for the current year with comparatives for the previous year:

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
i) Total amount of intra-group exposures	3,039.72	3,219.83
ii) Total amount of top 20 intra-group exposures	3,039.72	3,219.83
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	30.10%	42.04%

5. **Unhedged foreign currency exposure:** NBFCs shall disclose details of its unhedged foreign currency exposures. Further, it shall also disclose their policies to manage currency induced risk. - N.A

STANDALONE NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

43. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses accounting software (tally edit log) 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 accounting software.

44. The Previous year's figures have been regrouped/ rearranged/ reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
Company Secretary

Nirmala Kanjar
Chief Financial Officer

Bharat Shiroya
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS,
COMFORT FINCAP LIMITED
Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Comfort Fincap Limited (hereinafter referred to as the 'Holding Company") and its associate (together referred to as 'Group') which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended March 31, 2025 and notes to the consolidated financial statements, including a summary of material accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2025, of consolidated profit, consolidated changes in equity and its consolidated 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 specified under section 143(10) of the Act (SAs). 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director'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 do not express any form of assurance conclusion thereon.

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

The Director's Report is not made available to us at the date of this auditor's report and hence we have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of Holding company and its associates are responsible for assessing the ability of the Holding Company and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding company and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTER

The consolidated financial statements also include the Group's share of profit/(loss) of Rs 0.22 Lakhs for the year ended 31st March, 2025, as considered in the consolidated financial statements, in respect of one associates, whose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is solely based on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. (A) As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company, none of the directors of the Holding Company and its associate company is disqualified a none of the disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

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

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associate. Refer Note 27 to financial statements

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material forseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

   iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary company incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any misstatement.

v. According to information and explanation given to us, the Holding Company has not declared any dividend during the year in terms of provision of section 123 of Companies Act, 2013.

vi. As stated in Note 40 to the Financial statements, and based on our examination of parent company which included test checks and based on the consideration of the reports of other auditors of subsidiary and associates, except for instance mentioned below, the Parent Company, subsidiary and associates in respect of financial year commencing on 1 April 2024, has used accounting software for maintaining books of accounts which have a feature of recording audit trail (edit log) facility and the same have been 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 in respect of the accounts during such feature is enabled.

(C) With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and issued by the respective auditor of its associate included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295
Place: Mumbai
Date: 06th May, 2025
UDIN: 25124295BMJALD8945

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COMFORT FINCAP LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of Comfort Fincap Limited (hereinafter referred to as "the Holding Company") and its associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiary companies and its associate company which are companies incorporated in India, 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 (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 the respective 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.

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company and its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of its associate which are companies incorporated in India, is based on the corresponding report of the auditor of such associate incorporated in India.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

Dipesh Sangoi
Partner
M No.124295
Place: Mumbai
Date: 06th May, 2025
UDIN: 25124295BMJALD8945

CONSOLIDATED BALANCE SHEET

as at March 31, 2025

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2025		As at March 31, 2024	
I ASSETS					
(1) Financial Assets					
(a) Cash and cash equivalents	2	**65.60**		1.47	
(b) Bank Balances other than Cash and cash equivalents	3	**265.82**		19.88	
(c) Receivables					
i) Trade Receivables	4	**-**		0.74	
ii) Other Receivables		**-**		-	
(d) Loans	5	**10,009.22**		7,477.53	
(e) Investments	6	**535.34**		614.77	
(f) Other Financial assets (to be specified)			**10,875.98**		8,114.38
(2) Non-Financial Assets					
(a) Property, plant and equipment	7	**59.15**		66.71	
(b) Investment Property	8	**126.14**		126.14	
(c) Other non-financial assets	9	**4.97**		4.50	
			190.26		197.35
TOTAL ASSETS			**11,066.24**		8,311.73
II LIABILITIES AND EQUITY					
Liabilities					
(1) Financial Liabilities					
(a) Payables					
Trade payables due to					
Micro and Small Enterprises; and		**-**		-	
Other than Micro and Small Enterprises	10	**-**		9.25	
(b) Borrowings	11	**2,186.33**		2,606.59	
(c) Other financial liabilities	12	**49.49**		54.09	
			2,235.82		2,669.93
(2) Non-Financial Liabilities					
(a) Current tax liabilities (Net)	13	**71.50**		32.12	
(b) Deferred tax liabilities (Net)	14	**50.40**		75.44	
(c) Provisions	15	**44.06**		33.19	
			165.95		140.75
(3) EQUITY					
(a) Equity Share capital	16	**1,596.61**		1,085.13	
(b) Other Equity*		**7,067.86**		4,415.92	
			8,664.47		5,501.05
TOTAL EQUITY AND LIABILITIES			**11,066.24**		8,311.73
See accompanying notes to the financial statements	1				

* Refer Statement of changes in equity

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295
Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(Rs. in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2025		For the year ended March 31, 2024	
I	**Revenue from Operations**	17				
(a)	Interest Income		**1,328.59**		1,160.23	
(b)	Sale of services		**2.50**		13.00	
	Total Revenue from Operations		**1,331.09**		1,173.23	
II	Other Income	18	**(18.27)**		222.72	
III	**Total Income (I + II)**			**1,312.82**		1,395.95
IV	**Expenses**					
(a)	Finance Costs	19	**251.30**		267.14	
(b)	Fees and commission expense	20	**25.00**		32.58	
(c)	Impairment on financial instruments	21	**9.45**		42.18	
(d)	Employee Benefit Expenses	22	**197.21**		171.23	
(e)	Depreciation and Amortization Expense	7	**7.56**		5.08	
(f)	Other Expenses	23	**134.10**		151.76	
	Total Expense			**624.62**		669.97
V	**Profit / (loss) before exceptional items and tax (III-IV)**			**688.20**		725.98
VI	Exceptional Items			**-**		-
VII	**Profit/(loss) before tax (V-VI)**			**688.20**		725.98
VIII	Tax Expense:					
	(a) Current Tax		**217.92**		153.15	
	(b) Tax of earlier year		**(15.91)**		(0.05)	
	(c) Deferred Tax		**(23.66)**		58.26	
				178.35		211.36
IX	**Profit (Loss) for the period (VII-VIII)**			**509.85**		514.62
X	Add : Share of (Profit)/Loss of Associate			**0.22**		0.01
XI	**Profit for the Period (after adjustment for Associate (IX + X)**			**510.07**		514.63
XII	**Other Comprehensive Income**					
	A Items that will not be reclassified to profit or loss					
	(i) Remeasurements of the defined benefit plans		**(5.53)**		(3.42)	
	(ii) Tax impact on above		**1.39**		0.86	
				(4.14)		(2.56)
XIII	**Total Comprehensive Income for the period (IX+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**			**505.93**		512.07
XIV	**Earnings Per Equity Share (Face Value Rs. 2/- Per Share)**	24				
	Basic (Rs.)			**0.88**		0.95
	Diluted (Rs.)			**0.86**		0.95
	Significant Accounting Policies	1				

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295
Mumbai, May 6, 2025

For and on behalf of the Board

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Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

COMFORT FINCAP

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2025

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax for the year		**688.20**		725.98
Adjustments for :				
Finance Cost	**251.30**		267.14	
Remeasurement gain / (loss) of the defined benefit plan	**(5.53)**		(3.42)	
Depreciation and amortisation	**7.56**		-	
Bad Debts	**7.85**		-	
Realised gain/(loss) on Sale of Investments	**6.35**		-	
Net gain/(loss) on financial instrument at Fair Value through P& L	**21.70**		(214.87)	
Impairment on Financial Instruments	**9.45**	**298.68**	42.18	96.11
Operating Profit before Working Capital change		**986.88**		822.09
Adjustments for :				
Adjustments for (increase) / decrease in operating assets:	**-**		-	
Inventories	**-**		-	
Trade receivables	**0.74**		4.72	
Loans	**(2,548.99)**		(268.24)	
Other financial assets	**-**		-	
In Bank Balance other than Cash and Cash Equivalents	**(245.94)**		2.27	
Other non-financial assets	**(0.47)**	**(2,794.67)**	3.49	(257.76)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	**(9.25)**		-	
Other financial liabilities	**(4.60)**		19.70	
Short-term provisions	**10.87**		7.54	
Long-term provisions	**-**	**(2.98)**	-	27.24
Cash Generated From Operations		**(1,810.76)**		591.57
Income Tax paid		**162.63**		174.65
NET CASH FROM OPERATING ACTIVITIES Total (A)		**(1,973.39)**		416.92
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investment measured at FVTPL	**(32.40)**		-	
Proceeds from Sale of Investment measured at FVTPL	**84.00**			
Purchase of Property, Plant & Equipments	**-**	**51.60**	(69.59)	(69.59)
NET CASH USED IN INVESTING ACTIVITIES Total (B)		**51.60**		(69.59)
CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Capital	**921.57**			
Securities Premium	**1,790.18**			
Dividend Paid	**(54.26)**		-	
Loan taken / (Repaid) in Secured Loan	**(420.26)**		(154.85)	
Finance Cost	**(251.30)**		(267.14)	
NET CASH FROM FINANCING ACTIVITIES Total (C)		**1,985.93**		(421.99)
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)		**64.13**		(74.67)
Cash and Cash Equivalents -- Opening Balance		**1.47**		76.13
Cash and Cash Equivalents -- Closing Balance		**65.60**		1.47
Material Accounting Policies and Notes to Accounts				

As per our report of even date attached.

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

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CFO

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CEO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Particulars	Amount(Rs.)
As at March 31, 2023	**1,085.13**
Changes in equity share capital	-
As at March 31, 2024	**1,085.13**
Changes in equity share capital	511.48
As at March 31, 2025	**1,596.61**

B. OTHER EQUITY

Particulars	Other Equity					
	Reserve and Surplus			Other Compre -hensive Income	Money received against share warrants	Total other Equity
	Share Premium	Special Reserve	Retained Earnings			
As at March 31, 2023	**809.20**	**601.76**	**2,508.52**	**(15.64)**	**-**	**3,903.85**
Total Comprehensive Income for the year	-	-	514.63	(2.56)	-	512.07
Transfer from Profit and Loss	-	102.92		-	-	102.92
Transfer to Special Reserve	-		(102.92)	-	-	(102.92)
As at March 31, 2024	**809.20**	**704.68**	**2,920.23**	**(18.20)**	**-**	**4,415.92**
Total Comprehensive Income for the year	1,790.18	-	510.07	(4.14)	410.09	2,706.20
Transfer from Profit and Loss	-	101.97		-	-	101.97
Transfer to Special Reserve	-	-	(101.97)	-	-	(101.97)
Dividend paid	-	-	(54.26)	-	-	(54.26)
As at March 31, 2025	**2,599.38**	**806.65**	**3,274.07**	**(22.33)**	**410.09**	**7,067.86**

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
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Bharat Shiroya
CEO

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE –1: MATERIAL ACCOUNTING POLICIES:

A. PRINCIPLES OF CONSOLIDATION

i) The financial statements of the associate used in the consolidation is drawn up to the same reporting date as that of the company i.e. March 31, 2025 and are prepared based on the accounting policies consistent with those used by the company.

ii) The financial statements of the Company and its associate have been prepared in accordance with the Ind AS 110-'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and the other relevant provisions of the Act.

iii) The Consolidated financial statements have been prepared on the following basis:

a) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures'.

b) The policies of the associate company are consistent with those of the Company.

iv) The list of associates which are included in the consolidation and the Group's holdings therein are as under:

Name of the Company	% Shareholding of Comfort Fincap Ltd.	
	F.Y. 2024-2025	F.Y. 2023-2024
Lemonade Share & Securities Private Limited	46.81	46.81

B. BASIS OF PREPARATION:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company– Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

C. PRESENTATION OF FINANCIAL STATEMENTS

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

D. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

E. REVENUE RECOGNITION:

i) Interest Income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income as per the management's estimates of its recoverability. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realization if any.

ii) Other Revenue from Operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a) Net gain on fair value changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

b) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

c) Dividend Income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders/board approve the dividend.

F. PROPERTY, PLANT AND EQUIPMENT:

i) Property, plant and equipment are shown at historical cost inclusive of incidental expenses less accumulated depreciation.

ii) Depreciation on Property, plant and equipment is calculated on straight-line basis over the estimated useful lives of the assets as follows:

Sr. No.	Category	Estimated Useful life
1	Motor Vehicle	10 years
2	Air Condition	10 years
3	Computer and it peripherals	3 Years

iii) Depreciation on Property, plant and equipment are added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

G. INVESTMENT PROPERTY

Investment properties are properties (including those under construction) held to earn rentals and / or capital appreciation are classified as investment property and are measured and reported at cost including transaction costs.

Depreciation is recognized using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

As investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

H. IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

I. NON-CURRENT ASSETS HELD FOR SALE :

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

J. EMPLOYEE BENEFITS:

a) **Defined Contribution Plan:** Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) **Defined Benefit Plan:** The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) **Leave entitlement:** Leave encashment payments are accounted for on accrual basis and is treated as short-term employee benefit.

d) **Short-term benefits:** Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

K. FINANCIAL INSTRUMENTS:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

i) **Financial Assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

a. **Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. **Subsequent Measurement**

For the purpose of subsequent measurement, financial assets are classified into three categories:

1. **Debt instruments at amortised cost (AC)**

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

2. **Equity Instruments at FVTPL**

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

3. **Equity investments designated under FVOCI**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

c. **Derecognition of Financial Assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

d. **Impairment of Financial Assets**

Expected Credit Loss (ECL) is recognised for financial assets held under amortised cost and certain loan commitments.

Expected Credit Loss is recognized and measured as per the Asset Provisioning norms prescribed by the Reserve Bank of India or as per Company's assessment, at the end of each reporting period, of increase/ decrease in credit risk at borrower level and accordingly the Company recognizes a financial asset to be credit impaired by considering relevant objective evidence, primarily whether:

- ➢ Contractual payments of either principal or interest are past due for more than 6 months
- ➢ The loan is otherwise considered to be in default

Restructured loans, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to remain credit impaired until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months– post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be removed from the credit impaired category and a fresh assessment of the risk of default be done for such loans.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

a. Initial Measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

b. Subsequent Measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

c. Derecognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

iv) Investment in subsidiaries and associates

Investment in subsidiaries and associates is recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

L. LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

i) the contract involves the use of an identified asset

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below :-

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 underlying assets (i.e. 30 and 60 years)

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. The right-of-use assets are also subject to impairment.

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 (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 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.

“Lease liability” and “Right of Use” asset is separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

M. BORROWING COSTS:

(a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its untended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(b) All other borrowing costs are recognized as expense in the period in which they are incurred.

N. TAXATION:

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using tax rates and laws that have been substantively enacted as of the balance sheet date.

O. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculation diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

P. PROVISIONS AND CONTINGENT LIABILITIES

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Q. FAIR VALUE MEASUREMENT

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable.The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole. For detailed information on the fair value hierarchy, refer note no. 25 and note no. 26.

For assets and liabilities that are fair valued 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. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 2 - CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Cash & Cash Equivalents				
(a) Balances with Banks :				
- Current Accounts	64.63		0.31	
- Deposits	-	64.63	-	0.31
(b) Cash-in-hand		0.97		1.16
TOTAL		**65.60**		**1.47**

NOTE 3 - BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balance with bank	5.56	9.62
- against unclaimed dividend		
Fixed Deposit	260.00	10.00
- encumbered lien marked against OD facility		
Escrow Account Balance	0.26	0.26
TOTAL	**265.82**	**19.88**

NOTE 4 - TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Undisputed Trade receivables*	-	0.74
Disputed Trade receivables		
TOTAL	**-**	**0.74**

* Refer note no. 30

NOTE 5 - LOANS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
At amortised cost				
i) Advances Considered good & in respect of which Company is fully secured	8,992.51		6,782.05	
Less: Impairment loss allowance	(35.98)	8,956.53	(27.19)	6,754.86
ii) Advances Considered good for which Company holds no Security other than personal security	1,056.92		615.06	
Less: Impairment loss allowance	(4.23)	1,052.69	(2.46)	612.60
iii) Sub-Standard Advances in respect of which Company is;				
Un-Secured	-		11.19	
Less: Impairment loss allowance	-	-	(1.12)	10.07
iv) Doubtful Advances in respect of which Company is;				
Secured	-		200.00	
Un-Secured	50.00		50.00	
Less: Impairment loss allowance	(50.00)	-	(150.00)	100.00
TOTAL		**10,009.22**		**7,477.53**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 6 - INVESTMENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At Fair Value through Profit and Loss Account		
In Equity Instruments	286.10	365.75
At Cost		
In Equity Shares of Associate Companies - Unquoted Fully paid-up		
2,20,000 (March 2024 - 2,20,000) Equity Shares of Lemonade Share & Securiteis Pvt. Ltd. (F.V. Rs. 10/- each)	223.23	223.01
In Equity Shares of Other Companies - Unquoted Fully paid-up		
2,00,000 (March 2024 - 2,00,000) Equity Shares of Liquors India Limited (F.V. Rs. 10/- each)	26.00	26.00
TOTAL	**535.34**	**614.77**

NOTE : 7 - PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at April 1, 2024	Additions	Disposals	Balance as at March 31, 2025	Balance as at April 1, 2024	Depreciation / amortisation expense for the year	Other adjustments	Balance as at March 31, 2025	Balance as at March 31, 2025	Balance as at March 31, 2024
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Computer	1.12	-	-	1.12	0.37	0.37	-	0.75	0.37	0.75
Air Condition	2.23	-	-	2.23	1.38	0.22	-	1.60	0.63	0.85
Motor Vehicle	69.59	-	-	69.59	4.48	6.96	-	11.44	58.15	65.11
Total	**72.94**	**-**	**-**	**72.94**	**6.24**	**7.56**	**-**	**13.79**	**59.15**	**66.71**
Previous year	**3.35**	**69.59**	**-**	**72.94**	**1.16**	**5.08**	**-**	**6.24**	**66.71**	**2.19**

NOTE 8 - INVESTMENT IN PROPERTY

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Property	126.14	126.14
TOTAL	**126.14**	**126.14**

*The fair value of the Company's investment properties at the end of the year have been determined on the basis of valuation carried out by the Registered Valuer. The fair value measurement for all of the investment properties has been categorised as a Level 2 fair value measurement. Total fair value of Investment Properties is Rs. 157 Lakh.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 9 - OTHER NON-FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Prepaid Expenses	0.36	0.86
(b) FDR Interest receivable	0.68	-
(c) Other Advances	1.03	3.25
(d) Balance with Government Authorities	2.51	-
(e) TDS deposit with Exchange	0.40	0.40
TOTAL	**4.97**	4.50

NOTE 10 - TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables	-	9.25
TOTAL	**-**	**9.25**

Refer note no. 34

NOTE 11 - BORROWINGS

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
At Amortised Cost				
(a) Loans repayable on demand				
From banks				
Secured*	87.55		197.08	
Unsecured	-	87.55	-	197.08
(b) Loans and advances from Others				
Secured**	2,098.78		2,409.51	
Unsecured	-	2,098.78	-	2,409.51
TOTAL		**2,186.33**		**2,606.59**

Note: *i. Secured loans are lien on FDR kept with bank.The interest rate on this facility is FD Interest Rate+1%.

ii. The outstanding balance auto loan of Rs. 43.30 Lakhs from Axis Bank is secured by hypothecation of the vehicle. The loan carries an interest rate of 8.6% p.a. and is repayable in equal monthly instalments. There have been no defaults in repayment of principal and interest during the period.

** Secured loans are taken on securities held by the Company. The interest rate on these facilities are ranging from 9.25% to 12.00%.

NOTE 12 - OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Payables	43.92	44.47
Un-paid Dividend	5.56	9.62
TOTAL	**49.49**	**54.09**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 13 - CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Taxation (net of Advance tax & TDS)	71.50	32.12
TOTAL	**71.50**	**32.12**

Refer note no. 31

NOTE 14 - DEFERRED TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Deferred Tax Liabiliites/(Assets) relates to the following				
Depreciation and amortisation	1.67		1.19	
Gratuity	(11.09)		(8.35)	
Unrealised net gain on fair value changes	59.82	50.40	82.61	75.44
TOTAL		**50.40**		**75.44**

Refer note no. 31

NOTE 15 - PROVISIONS

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
- Gratuity	**44.06**	33.19
TOTAL	**44.06**	**33.19**

Refer note no. 29

NOTE 16 -EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised :		
12,50,00,000 Equity Shares (Previous Year 7,50,00,000) of Rs. 2/- each	2,500.00	1,500.00
TOTAL	**2,500.00**	**1,500.00**
Issued and Subscribed :		
7,98,30,500 Equity Shares (Previous Year 5,42,56,500) of Rs. 2/- each	1,596.61	1,085.13
TOTAL	**1,596.61**	1,085.13
Subscribed and Paid-up :		
7,98,30,500 Equity Shares (Previous Year 5,42,56,500) of Rs. 2/- each	1,596.61	1,085.13
TOTAL	**1,596.61**	**1,085.13**

NOTES:-

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

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Number of shares at the beginning of the year		5,42,56,500		5,42,56,500
Add: Issue of Shares during the year				
Number of shares alloted as fully paid-up during the year	**2,55,74,000**		-	
		2,55,74,000		-
No. of shares at the end of the year		**7,98,30,500**		**5,42,56,500**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(b) Terms/rights attached to equity shares.

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

(c) Details of shareholders holding more than 5% shares in the company

(Rs. in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	%	Nos.	%
Luharuka Commotrade Pvt Ltd	2,11,16,005	26.45	2,11,16,005	38.92
Anil Agarwal HUF	58,20,000	7.29	58,20,000	10.73
Luharuka Sales & Service Private Limited	49,52,865	6.20	35,50,962	6.54
Luharuka Investment & Consultants Pvt Ltd	1,09,00,000	13.65	-	-

(d) Details of Shares in the company held by each promoter as at the end of the year at March 31, 2025

(Rs. in Lakhs)

Promoters Name	As at March 31, 2025		% Change during the Year
	No. of Shares	%	
Anil Agrawal HUF	58,20,000	7.29	-32.06
Luharuka Sales & Services Private Limited	49,52,865	6.20	-5.20
Luharuka Commotrade Private Limited	2,11,16,005	26.45	-32.04
Luharuka Investment & Consultants Pvt Ltd.	1,09,00,000	13.65	0

Details of Shares in the company held by each promoter as at the end of the year at March 31, 2024

(Rs. in Lakhs)

Particulars	As at March 31, 2024		% Change during the Year
	No. of Shares	%	
Anil Agrawal HUF	58,20,000	10.73	0
Luharuka Sales & Services Private Limited	35,50,962	6.54	1.1
Luharuka Commotrade Private Limited	2,11,16,005	38.92	0

Please note that the percentage change mentioned herein reflects the impact of the Preferential Issue of Equity Shares.The paid-up share capital of the Company as of March 31, 2025, stood at ₹1,596.61 Lakhs, whereas the paid-up share capital as of March 31,2024 is ₹1,085.13 Lakhs.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 17 – REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest Income		
From Loans & Advances	1,328.59	1,160.23
(b) Sale of Services		
Financial Advisory & Consultancy	2.50	13.00
TOTAL	**1,331.09**	**1,173.23**

NOTE 18 – OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(a) Net Gain on Fair Value Changes				
Profit/(loss)from Sale of Equity Instruments held for trading	(6.35)		-	
Change in Fair Value of Equity Instruments held for trading	(21.70)		214.87	
		(28.05)		214.87
(b) Dividend Income		2.32		1.99
(c) Interest from Term deposits		1.34		0.65
(d) Recovery of Written of Financial Assets		5.00		5.00
(e) Other Misc. income		1.13		0.20
TOTAL		**(18.27)**		**222.72**

NOTE 19 – FINANCIAL COSTS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expenses	251.30	267.14
TOTAL	**251.30**	**267.14**

NOTE 20 – FEES AND COMMISSION EXPENSE

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Commission Expenses	25.00	32.58
TOTAL	**25.00**	**32.58**

NOTE 21 – IMPAIRMENT ON FINANCIAL INSTRUMENTS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On Loans - at amortised cost	9.45	42.18
TOTAL	**9.45**	**42.18**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 22 - EMPLOYMENT BENEFIT EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Bonus & Allowances	183.73	156.84
PF Expenses	0.97	0.96
Staff Insurance Expenses	2.20	1.08
Staff Welfare Expenses	4.97	8.24
Gratuity Expense	5.34	4.11
TOTAL	**197.21**	**171.23**

NOTE 23 - OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Advertisement Expenses		2.27		1.36
Annual Listing fees		3.54		3.92
Bad-Debts / loans w/off		7.85		1.62
Business promotion expenses		11.16		31.68
Expense towards Corporate Social Responsibility		11.50		12.25
Custodial Fees		1.51		1.09
Director's Sitting Fees		4.36		3.71
Insurance Expenses		1.37		1.79
Legal, Professional & Technical Charges		35.52		22.66
Miscellaneous Expenses		12.89		14.95
Printing, Postage & Stationery Expenses		2.11		2.06
Professional Tax		0.08		0.21
Payments to Auditors :				
- Audit & Tax Audit fees	3.75		3.60	
- For Other Services	-	3.75	-	3.60
Travelling & Conveyance Expenses		18.69		26.19
Telephone Expenses		3.41		2.66
Repairs & Maintenance Expenses		4.80		3.51
Rent Expenses		6.41		6.00
Share Trading Expense		2.90		-
Settlement Compensation paid		-		12.50
TOTAL		**134.10**		**151.76**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 24 - EARNINGS PER EQUITY SHARE

(Rs. in Lakhs)

	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(a)	Net profit after tax attributable to equity shareholders for Basic EPS	509.85		514.62	
	Add/Less: Adjustment relating to potential equity shares	-	509.85	-	514.62
	Net profit after tax attributable to equity shareholders for Diluted EPS		509.85		514.62
(b)	Weighted average no. of equity shares outstanding during the year				
	For Basic EPS		5,80,42,960		5,42,56,500
	For Diluted EPS		5,92,97,683		5,42,56,500
(c)	Face Value per Equity Share (Rs.)		2.00		2.00
	Basic EPS		0.88		0.95
	Diluted EPS		0.86		0.95

NOTE 25- FAIR VALUE

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

Valuation Framework

The Group has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

The Group's valuation framework includes:

Benchmarking prices against observable market prices or other independent sources;

Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Valuation Framework

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

Fair values of Investments held for trading under FVTPL have been determined under level 1 (refer note no. 26) using quoted market prices of the underlying instruments;

Fair values of other investments under FVOCI have been determined under level 1 using quoted market prices of the underlying instruments;

The Group has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

NOTE 26- FAIR VALUE HIERARCHY

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

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

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

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

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2025

(Rs. in Lakhs)

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Investments held for trading under FVTPL	31-03-2025	286.10	-	-	286.10
Equity instrument classified under FVOCI	31-03-2025	-	-	-	-

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2024

(Rs. in Lakhs)

Particulars	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Investments held for trading under FVTPL	31-03-2024	365.75	-	-	365.75
Equity instrument classified under FVOCI	31-03-2024	-	-	-	-

Fair Value of Financial Instruments not measured at fair value as at March 31, 2025

(Rs. in Lakhs)

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Financial Assets					
Cash and cash equivalents	65.60	65.60	-	-	65.60
Bank Balances other than Cash and cash equivalents	265.82	265.82	-	-	265.82
Receivables					
i) Trade Receivables	-	-	-	-	-
ii) Other Receivables	-	-	-	-	-
Loans	10,009.22	-	-	10,009.22	10,009.22
Investments	249.23	-	-	249.23	249.23
Other Financial assets (to be specified)	-	-	-	-	-

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Financial Liabilities					
Payables	-	-	-	-	-
Trade payables due to	-	-	-	-	-
Micro and Small Enterprises; and	-	-	-	-	-
Other than Micro and Small Enterprises	-	-	-	-	-
Borrowings	2,186.33	-	-	2,186.33	2,186.33
Other financial liabilities	49.49	-	-	49.49	49.49

Fair Value of Financial Instruments not measured at fair value as at March 31, 2024

(Rs. in Lakhs)

Particulars	Carrying Value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputS (Level 3)	
Financial Assets					
Cash and cash equivalents	1.47	1.47	-	-	1.47
Bank Balances other than Cash and cash equivalents	19.88	19.88	-	-	19.88
Receivables					
i) Trade Receivables	0.74	-	-	0.74	0.74
ii) Other Receivables	-	-	-	-	-
Loans	7,477.53	-	-	7,477.53	7,477.53
Investments	249.01	-	-	249.01	249.01
Other Financial assets (to be specified)	-	-	-	-	-
Financial Liabilities					
Payables	-	-	-	-	-
Trade payables due to	-	-	-	-	-
Micro and Small Enterprises; and	-	-	-	-	-
Other than Micro and Small Enterprises	9.25	-	-	9.25	9.25
Borrowings	2,606.59	-	-	2,606.59	2,606.59
Other financial liabilities	54.09	-	-	54.09	54.09

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

27. CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
i) Contingent Liabilities		
a) Income Tax demand * (Appeal/rectification has been filed against the order)	83.14	35.15
ii) Commitments:		
Estimated number of contracts remaining to be executed on capital account	-	-

*In addition to the above there is a demand of Rs.18.74 lakhs, Rs. 5.61 lakhs & Rs. 5.48 lakhs for AY 2013-14 AY 2016-17and AY 2017-18 respectively u/s 115O in respect of DDT for which company had already discharge the DDT liability and filed the offline manual submission to the AO and also online response raised under grievance for rectification of same.

28. EMPLOYEE RETIREMENT BENEFITS:

Disclosure on Retirement Benefits as required in Indian Accounting Standard (Ind AS) 19 on "Employee Benefits" are given below:

i. Expenses Recognized in the Statement of Profit & loss

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Current Service Cost	2.95	2.22
Net interest Cost	2,39	1.89
Past Service Cost-recognized	-	-
Expenses Recognized in the Statement of Profit & loss	**5.34**	**4.11**

ii. Expenses Recognized in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Actuarial (Gains)/Losses on Obligation for the Period	5.52	3.42
Return on Plan Assets, Excluding Interest Income	-	-
Expenses Recognized in Other Comprehensive Income	**5.52**	**3.42**

iii. Net Liability/(Asset) Recognized in the Balance Sheet

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Current Liability	3.90	3.10
Non-Current Liability	40.15	30.08
Net Liability/(Asset) Recognized in the Balance Sheet	**44.05**	**33.18**

Actuarial assumptions

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Expected Return on Plan Assets	N.A.	N. A
Rate of Discounting	6.61%	7.19%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The Company has a defined benefit gratuity plan in India (unfunded). The Company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from Company as and when it becomes due and is paid as per Company scheme for Gratuity.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

Risks associated with defined benefit plan: Gratuity is a defined benefit plan and entity is exposed to the following Risks

a. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

b. Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision.

c. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

d. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Characteristics of defined benefit plans:

a. During the year, there were no plan amendments, curtailments and settlements.

b. Gratuity plan is unfunded.

29. FOREIGN CURRENCY TRANSACTIONS:

The unhedged foreign currency exposure as on March 31, 2025 is Rs. Nil (Previous year Rs. Nil).

Foreign Exchange earnings - Nil (Nil)

Foreign Exchange outgo - Nil (Nil)

30. TRADE RECEIVABLES AGEING SCHEDULE

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of receipt					Total
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	- -	- -	- (0.74)	- -	- -	- **(0.74)**
(ii) Undisputed Trade receivables - which have significant increase in risk	- -	- -	- -	- -	- -	- -
(iii) Undisputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
(iv) Disputed Trade receivables - Considered good	- -	- -	- -	- -	- -	- -
(v) Disputed Trade receivables - which have significant increase in risk	- -	- -	- -	- -	- -	- -
(vi) Disputed Trade receivables - credit impaired	- -	- -	- -	- -	- -	- -
Total	-	-	**(0.74)**	-	-	**(0.74)**

Figure in bracket relates to previous year.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

31. CURRENT INCOME TAX LIABILITIES (NET):

i. Component of Income Tax Expense

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Tax Expense in Profit and Loss		
Current Year Tax	217.92	153.15
Adjustment related to Previous Years	(15.91)	(0.05)
(A)	202.01	153.10
Current Year Deferred Tax	(23.66)	58.26
Adjustment related to Previous Years	-	-
(B)	(23.66)	58.26
Total (A+B)	**178.35**	**211.36**
Tax Expense in Other Comprehensive Income		
Gain/(Loss) on re-measurement of net benefit plan	1.39	0.86
Total	**1.39**	**0.86**

ii. Reconciliation of Effective Tax Rate: The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

(Rs. in Lakhs)

Particulars	2024-2025	2023-2024
Statutory Income Tax Rate	25.17%	25.17%
Tax Amount at Statutory Tax Rate	173.21	182.71
Corporate Social Responsibility	2.89	3.08
Stock Adjustment	-	3.66
Provision for advances	-	17.71
Others	10.65	-
Interest on Income Tax	7.52	4.24
Tax adjustment of PY	(15.91)	(0.05)
Tax at effective Rate	**178.35**	**211.36**
Effective Tax Rate	**25.92%**	**29.11%**

Deferred Tax Liabilities (net)

(Rs. in Lakhs)

Particulars	Difference between book base and tax base of PPE	Expenses allowable on payment basis	Changes in Fair Value	Net deferred tax Liabilities/ (assets)
As at March 31, 2023	(0.37)	(6.46)	24.87	18.05
Charged / (credited)				
- to profit or loss	1.56	(1.06)	57.74	58.26
- to other comprehensive income	-	(0.86)	-	(0.86)
As at March 31, 2024	1.19	(8.35)	82.61	75.44
Charged / (credited)				
- to profit or loss	0.48	(1.34)	(22.79)	(23.66)
- to other comprehensive income	-	(1.39)		(1.39)
As at March 31, 2025	**1.67**	**(11.09)**	**59.82**	**50.40**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

32. LOANS GIVEN:

a. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes: -

(Rs. in Lakhs)

Particulars	2024-2025 (Rs.)	2023-2024 (Rs.)
Secured against Immovable Property	131.78	336.98
Secured against Shares	8,860.74	6,159.28
Secured against Trade Receivables	-	485.79

b. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company is equal to the total provision required under IRACP (including standard asset provisioning), as at March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

c. The below table depicts classification of Overdue loans outstanding as on March 31, 2025.

(Rs. in Lakhs)

Sr. No.	Type of Assets	Overdue Account Count	Principle Overdue Amount	Interest Overdue Amount
1	Standard Asset	2	65.00	8.22
		1	-	(5.63)
2	Sub Standard Asset	-	-	-
		1	(6.37)	(4.81)
3	Doubtful Asset	1	50.00	36.75
		2	(250.00)	(115.34)

33. TRADE PAYABLES AGEING SCHEDULE

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-
	-	-	-	-	-
Others	-	-	-	-	-
	-	-	-	(9.25)	(9.25)
Disputed dues - MSME	-	-	-	-	-
	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**(9.25)**	**(9.25)**

Figure in bracket relates to previous year.

34. There are no dues to Micro and Small Enterprises as at March 31, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

35. Corporate Social Responsibility: - As per Section 135 of Companies Act, 2013 a company meeting the applicability threshold, needs to spend atleast 2% of its average net profit of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The CSR initiatives are focused towards those programme directly or indirectly, benefit the community and society at large. The Company's CSR activity primarily focuses on programs that promote education, gender equality empowering women and development of rural areas.

(Rs. in Lakhs)

Particulars	As at 31-03-2025	As at 31-03-2024
i) Amount required to be spent by the company during the year	11.41	12.21
ii) Amount of expenditure incurred	11.50	12.25
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Details of related party transactions	Refer note no. 36	

36. In accordance with Accounting standard 'Ind AS -24' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

A. Name of the related parties & description of relationship

a) Key Managerial Personnel	:	Mr. Ankur Agrawal (Director)
		Mrs. Nirmala H. Kanjar (CFO)
		Mr. Bharat Shiroya (CEO)
		Ms. Sneha Mandelia (CS & Compliance Officer)
b) Promoters and their relatives	:	Anil Agrawal –HUF (Promoter)
		Luharuka Commotrade Pvt. Ltd. (Promoter)
		Luharuka Sales & Services Pvt. Ltd. (Promoter)
		Mrs. Annu Agrawal (Relative)
		Ms. Deepika Agrawal (Relative)
		Mr. Anil Agrawal (Relative)
c) Associate Company	:	Lemonade Share & Securities Pvt. Ltd.
d) i. KMP or relative of KMP having substantial interest	:	Comfort Securities Limited
		Comfort Intech Limited
		Comfort Commotrade Limited
		Comfort Capital Pvt. Ltd.
		Flora Fountain Properties Ltd.
		Luharuka Exports Pvt. Ltd.
		Luharuka Investment & Consultants Pvt. Ltd
		Seth Govindram Charitable Trust
ii. Directors	:	Mr. Devendra Lal Thakur (Director)
		Mr. Milin Ramani (Director)
		Mrs. Apeksha Kadam (Director)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

B. Transactions during the year with related parties: -

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
1	**i) Loan Given**			
	Comfort Securities Ltd.	-	-	6,731.00
		-	-	(4,696.96)
	Deepika Agrawal	-	-	-
		-	(215.50)	-
	Luharuka Media & Infra Ltd	-	-	300.00
		-	-	-
	Liquors India Ltd	-	-	500.00
		-	-	-
	Comfort Capital Pvt Ltd.		-	826.00
		-	-	(292.00)
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	-
		-	-	(40.00)
	Flora Fountain properties Ltd.	-	-	2,055.00
		-	-	(3,120.00)
	Comfort Commotrade Ltd	-	-	2,499.00
		-	-	(2,701.00)
	ii) Loan Received Back			
	Anil Agrawal	-	(71.90)	-
		-	-	-
	Flora Fountain properties Ltd.	-	-	2,550.16
		-	-	(2,923.44)
	Luharuka Media & Infra Ltd	-	-	301.70
		-	-	-
	Comfort Securities Ltd	-	-	7,829.85
		-	-	(3,303.00)
	Deepika Agrawal	-	-	-
		-	(923.78)	-
	Liquors India Ltd	-	-	-
		-	-	(175.00)
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	-
		-	-	(124.35)
	Comfort Commotrade Ltd.	-	-	2,119.84
		-	-	(3,310.00)
	Comfort Capital Pvt. Ltd.	-	-	622.59
		-	-	(87.52)
2	**i) Loan taken**			
	Comfort Intech Limited	-	-	-
		-	-	(625.00)
	ii) Loan Repaid			
	Comfort Intech Limited	-	-	-
		-	-	(1,478.94)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
3	**Contribution to Equity**			
	Luharuka Sales and Service Pvt Ltd	-	-	99.00
		-	-	-
	Luharuka Investment & Consultants Pvt Ltd	-	-	981.00
		-	-	-
	Devendra Lal Thakur	81.00	-	-
		-	-	-
	Money received against Preferential warrants			
	Luharuka Investment & Consultants Pvt Ltd	-	-	292.50
		-	-	-
4	**Income**			
	Anil Agrawal	-	-	-
		-	(4.04)	-
	Deepika Agrawal	-	-	-
		-	(37.88)	-
	Luharuka Media & Infra Ltd	-	-	1.89
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	-
		-	-	(2.51)
	Flora Fountain properties Ltd.	-	-	84.92
		-	-	(73.06)
	Comfort Securities Ltd	-	-	196.91
		-	-	(168.36)
	Comfort Commotrade Ltd	-	-	133.33
		-	-	(133.21)
	Comfort Capital Pvt. Ltd.	-	-	29.53
		-	-	(1.81)
	Expenses			
	Brokerage Paid			
	Comfort Securities Limited	-	-	0.87
		-	-	(0.80)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

(Rs. in Lakhs)

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	KMP or relative of KMP having substantial interest & Directors
	Office Rent Paid			
	Anil Agrawal –HUF	- -	6.00 (6.00)	- -
	Remuneration			
	Bharat Shiroya	26.36 (26.00)	- -	- -
	Nirmala H Kanjar	19.25 (15.25)	- -	- -
	Deepika Agrawal	- -	35.00 (35.00)	- -
	Ankur Agrawal	45.86 (47.00)	- -	- -
	Sneha Mandelia	12.94 (8.90)	- -	- -
	Interest Paid			
	Comfort Intech Limited	- -	- -	- (53.87)
	Director Sitting fee Paid			
	Devendra Lal Thakur	- -	- -	1.15 (0.90)
	Milin Ramani	- -	- -	1.15 (0.90)
	Ankur Agrawal	1.05 (0.80)	- -	- -
	Apeksha Kadam	- -	- -	0.65 (0.80)
	Corporate Social Responsibility (CSR)			
	Seth Govindram Charitable Trust	- -	- -	11.50 (12.25)
	Amount outstanding as at Balance Sheet date **Loan Given**			
	Flora Fountain Properties Ltd.	-	-	- (418.73)
	Comfort Capital Pvt. Ltd.	- -	- -	436.10 (206.11)
	Liquors India Ltd.	-	-	331.10 -
	Comfort Commotrade Ltd.	-	-	1,222.52 (723.36)
	Comfort Securities Ltd.	-	-	1,050.00 (1,871.63)
	Salary Advance Given			
	Ankur Agrawal	- (3.25)	- -	- -

Figure in bracket relates to previous year.

37. Segment Reporting: In the opinion of the Management, the Company is operating in a single segment only as per the provisions of the Ind AS 108.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

38. FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

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. Financial instruments affected by market risk include loans and borrowings and deposits.

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. This risk exists mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Price Risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

B. Credit Risk: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

Trade Receivables: Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

Other Financial Assets: Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

C. Excessive risk concentration: Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

D. Liquidity risk: Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of internal financing by way of daily cash flow projection to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability of funds. Management monitors daily and monthly rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried in accordance with standard guidelines. The Company has liquidity reserves in the form of highly liquid assets like cash and cash equivalents, debt based mutual funds, deposit accounts, etc.

39. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as

a. Title Deeds of Immovable Property not held in name of Company: Title deeds of immovable property are held in the name of the Company

b. Disclosure on Revaluation of Assets: The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

c. Details of benami property held: 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.

d. Borrowings against current assets: The returns or statements submitted by the company to lenders are in agreement with books of accounts. There are no material discepancies observed in resturns or statements submitted by the company to lenders.

e. Wilful defaulter: The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

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

h. Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

i. Utilisation of borrowed funds and share premium: The Company has not received securities premium through issue of equity and preference shares during the year ended March 31, 2024, and year ended March 31, 2023. There is no understanding with investors, in writing or otherwise, to lend or invest in other person or entities, directly or indirectly or provide any guarantee, security or the like to or on behalf of the said investors. The management has absolute discretion on use of such funds. Hence, the additional regulatory disclosure with respect to the utilisation of borrowed funds and share premium are not included in these financial statements.

j. Compliance with approved scheme of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

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

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

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS
for the year ended March 31, 2025

40. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses accounting software (tally editlog) 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 accounting software.

41. The Previous year's figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For **A R Sodha & Co.**
Chartered Accountants
Firm Reg. No.: 110324W

Dipesh Sangoi
Partner
Membership No. : 124295

Mumbai, May 6, 2025

For and on behalf of the Board

Ankur Agrawal
Director
DIN : 06408167

Apeksha Kadam
Director
DIN : 08878724

Sneha Mandelia
CS

Nirmala Kanjar
CFO

Bharat Shiroya
CEO

COMFORT FINCAP

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CIN: L65923WB1982PLC035441

Corporate Office: A-301, Hetal Arch, S.V. Road,
Opp. Natraj Market, Malad (West), Mumbai - 400064