(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Serial No.: 001/2026/KID
Date: January 14, 2026

KEY INFORMATION DOCUMENT
(FOR PRIVATE PLACEMENT)
by

IFL Finance Limited ("Issuer" / "Company")
(Formerly known as IFL Housing Finance Limited)
A public limited company incorporated under the Companies Act, 2013

Corporate Identification Number (CIN): U65910DL2015PLC285284 **Permanent Account Number (PAN):** AADCI9142H **Date of Incorporation:** September 17, 2015 **Place of Incorporation:** New Delhi, India **Registration/identification number issued by the relevant regulator:** N-14.03651 by the Reserve Bank of India **Website:** www.iflfinanceltd.com	**Registered Office:** D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi - 110085, India. **Corporate Office:** D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi - 110085, India. **Telephone No.:** 011-47096097 **Email:** info@iflfinanceltd.com

Key information document for issue of Debentures on a private placement basis under Schedule I of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the issue of up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) ("Debentures" or "NCDs") on a private placement basis (the "Issue") for cash at par on a fully paid-up basis. Certain details of the Debentures are as follows:

(a) **Rating**: The Debentures are rated as "CRISIL BBB" by CRISIL Ratings Limited pursuant to the letter dated December 24, 2025 and the rating rationale dated December 24, 2025. Please refer to **Annexure I** below for the rating letter, press release and rating rationale. No other credit ratings have been obtained for the purposes of this Issue.

(b) **Listing**: The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the NSE Limited within the time period prescribed und er the SEBI Listing Timelines Requirements (as defined below).

(c) **Eligible Investors**: Please refer Section 7.15 *(Eligible Investors)* of the Key Information Document.

(d) **Coupon related details**: 12.25% (twelve decimal two five percent) per annum. Please refer Section 6.1 (*Summary Terms*) of the Key Information Document for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.

(e) **Underwriting**: Not Applicable.

(f) **Details of Electronic Book Mechanism**: Please refer Section 7 of the Key Information Document.

ISSUE SCHEDULE

Issue Opening Date	Issue Closing Date	Date of earliest closing of the issue, if any	Deemed Date of Allotment
January 14, 2026	January 14, 2026	N.A.	January 16, 2026

KEY OFFICERS OF THE ISSUER

Compliance Officer	Company Secretary	Chief Financial Officer	Promoters
Name: Shivani Jindal **Tel No.** 011-47096097,	**Name**: Shivani Jindal **Tel No.** 011-47096097,	**Name**: Prerna Matta Arora **Tel No.** 011-47096097	**Name**: Gopal Bansal **Tel No**: 011-47096097

Email: compliance@iflfinanceltd.com	**Email:** compliance@iflfinanceltd.com	**Email:** prerna@iflfinanceltd.com	**E-mail:** gopalbansal@iflfinanceltd.com **Name**: Sunita Bansal **Tel No:** 011-47096097 **E-mail:** sunita.bansal@iflfinanceltd.com **Name**: India Finsec Limited **Tel No**: 011-47096097 **E-mail:** indiafinsec@gmail.com **Name**: Gopal Bansal HUF **Tel No**: 9350655363 **E-mail:** gopalbansalca@gmail.com **Name**: Ganga Devi Bansal **Tel No**: 9350655363 **E-mail:** gangadevipaota@gmail.com **Name**: Arvind Kumar Bansal **Tel No**: 8585954920 **E-mail:** arvindbansal1947@gmail.com

DETAILS OF STAKEHOLDERS

Debenture Trustee	**Registrar and Transfer Agent**	**Credit Rating Agency**	**Statutory Auditors**
Catalyst Trusteeship Limited Address: Unit No. 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013, Maharashtra, India Tel: 022-49220555 Contact Person: Mr. Umesh Salvi Email: ComplianceCTL-Mumbai@ctltrustee.com Website: www.catalysttrustee.com	**Skyline Financial Services Private Limited** Address: D-153 A| Ist Floor | Okhla Industrial Area, Phase - I New Delhi-110 020 Telephone Number: 011-2681268 Website: www.skylinerta.com Contact Person: Mr. Pawan Singh Bisht Email ID: compliances@skylinerta.com	CRISIL Ratings Limited Address: Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India Telephone Number: 91-22-6137 3000 (B) Website: crisilratings.com Contact Person: Ajit Velonie Email ID: Crisilratingdesk@Crisil.com	**Ajay Rattan & Co.** Address: E-115, 11th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi-110001 Telephone Number: 011-41511852 Website: Contact Person: Mr. Varun Garg Email ID: varun@ajayrattanco.com Peer review No. 014491

Merchant Banker

SKI Capital Services Limited
Address: 718, Dr. Joshi Road, Karol Bagh, New Delhi – 110005
Telephone No: +91-011-41189899
Fax: NA
Website: https://www.skicapital.net
Contact person: Mr. Manick Wadhwa/ Mr. Daljit Singh
E-mail: dcm@skicapital.net

BACKGROUND

This Key Information Document (as defined below) is related to the Debentures to be issued by IFL Finance Limited (Formerly known as IFL Housing Finance Limited) (the "**Issuer**" or "**Company**") on a private placement basis and contains information and disclosures supplemental to those set out in the General Information Document (as defined below), as are required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through a special resolution dated September 29, 2022 under Section 180(1)(c) of the Companies Act, 2013 and the resolution dated January 07, 2026 of the Board of Directors of the Issuer and the memorandum of association and articles of association of the Issuer.

Pursuant to the resolution passed by the Issuer's shareholders dated September 29, 2022 in accordance with provisions of the Companies Act, 2013, the Issuer has been authorised to raise funds by way of issuance of non-convertible debentures upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 500,00,00,000 (Indian Rupees Five Hundred Crore). The present issue of Debentures in terms of this Key Information Document is within the overall powers of the Board as per the above shareholder resolution(s).

Issuer's Absolute Responsibility
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading.

Issue Schedule	
Issue Opening Date	January 14, 2026
Issue Closing Date	January 14, 2026
Pay In Date	January 16, 2026
Deemed Date of Allotment	January 16, 2026

DISCLAIMERS

- This Key Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Key Information Document, such statements shall be considered to be null and void.

- This issue document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this Key Information Document and has not withdrawn such consent before the delivery of a copy of this Key Information Document to the Registrar (as applicable) for registration.

- Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Companies Act, 2013.

- Various disclosures set out in this Key Information Document have been linked to the disclosures set out in the General Information Memorandum. There are no changes to the disclosures which have been linked to the disclosures set out in the General Information Document, and in the case of any conflict/difference between the provisions of the General Information Document and this Key Information Document, the provisions of this Key Information Document shall be applicable to this issuance of Debentures.

- This Issue does not form part of non-equity regulatory capital for the purposes of Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter XIII (*Issuance, Listing and* Trading *Non-Equity Regulatory Capital*) of the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts,*

Municipal Debt Securities and Commercial Paper". The face value of each debt security issued on private placement basis under this Issue is INR 10,000 (Indian Rupees Ten Thousand).

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

TERM	DEFINITION/PARTICULARS
Act or **Companies Act**	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	means the allotment of the Debentures pursuant to this Issue.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes the Indian Accounting Standards (IND-AS).
Applicable Law/ Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Applicant	means a person who has submitted a completed Application Form to the Issuer, and "**Applicants**" shall be construed accordingly.
Application Form	means the application form to apply for subscription to the Debentures, which is in the form annexed to this Key Information Document under **Annexure III** *(Application Form)*.
Application Money	means the subscription amounts paid by the Applicants at the time of submitting the Application Form and/or applying for the Debentures on any mechanism of the NSE.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owners	means the holders of the Debentures in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners and "**Beneficial Owner**" shall be construed accordingly.
Board / Board of Directors	means the board of directors of the Issuer.
Business Day	means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which the commercial banks are open for business in Mumbai, India or in the Place of Business. For the purpose of this definition, in respect of: (a) *Announcement of issue period*: Business Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, India or in the Place of Business are open for business. (b) *The time period between the issue closing date and the listing of the Debentures on the NSE*: Business Day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI.
Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the NBFC Directions.
Cash/Cash Equivalent	means the aggregate of all unencumbered movable assets of the Issuer that are classified as cash or cash equivalents in accordance with the Applicable Accounting Standards, including any investments in money market units/instruments or other highly liquid debt instruments, any cash/fixed deposits placed by the Issuer.
CDSL	means Central Depository Services (India) Limited.
Central Registry	shall have the meaning given to the term in the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
Control	shall have the meaning as set out in the Companies Act, 2013.
Company/Issuer/IFL	means IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Company Rating	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
Conditions Precedent	means the conditions precedent set out in Section 6.1 (*Summary Terms*) of this Key Information Document.
Conditions Subsequent	means the conditions subsequent set out in Section 6.1 (*Summary Terms*) of this Key

TERM	DEFINITION/PARTICULARS
	Information Document.
Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Debentures/NCDs	means up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) at par, in dematerialised form on a private placement basis to certain identified investors.
Debenture Holders/Investors	means the successful applicants who shall initially subscribe to the Debentures, and for any subsequent Debenture Holders, each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders, paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between paragraphs (a) and (b) above, paragraph (a) shall prevail, and "Debenture Holder" shall be construed accordingly.
Debenture Trust Deed/DTD	means the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Issuer, *inter alia*, setting out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	means Catalyst Trusteeship Limited.
Debenture Trustee Agreement	means the debenture trustee agreement executed/to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustees Regulations or SEBI Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended, modified or restated from time to time).
Disclosure Documents	means the General Information Document, together with this Key Information Document and the private placement offer and application letter in respect of the Debentures.
Deed of Hypothecation/ Hypothecation Agreement	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
Deemed Date of Allotment	means January 16, 2026, being the date on which the Debentures are/shall be allotted to the Debenture Holder(s).
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and "**Depository**" means any one of them.
Depositories Act	means the Depositories Act, 1996, as amended from time to time.
Depository Participant/DP	means a depository participant as defined under the Depositories Act.
Director(s)	means the director(s) of the Issuer.
DP ID	means Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.37 (*Other Details*) of the Key Information Document.
Due Dates	means, collectively, the dates on which any principal amounts, interest, any additional interest, default interest, any liquidated damages, any premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to the Interest Payment Dates, each Redemption Date and the Final Redemption Date, or any other date (including because of acceleration) on which any payment is to be made by the Issuer under the Transaction Documents.

TERM	DEFINITION/PARTICULARS
EBP Guidelines	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (Electronic Book Provider platform) of the Listed NCDs Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time.
EBP Platform / EBP	Means web based electronic booking platform for private placement of securities under the EBP Guidelines.
Effective Date	means the date of execution of the Debenture Trust Deed.
Eligible Investors	has the meaning given to it in Section 7.15 of the Key Information Document.
Events of Default	means the events set out in 6.2.6.2 (*Events of Default*) of the Key Information Document, and "Event of Default" means one of them.
Final Redemption Date	means January 16, 2028.
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
Financial Indebtedness	means any indebtedness for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any credit facility; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; (d) any amount payable for redemption of any redeemable preference share which: i. is redeemable at the option of the Company; or ii. according to the terms of its issue, is redeemable prior to the maturity of the Debentures; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (h) the acquisition cost of any asset or service to the extent payable before or after its acquisition or possession by the party liable where the advance or deferred payment: i. is arranged primarily as a method of raising finance or of financing the acquisition of that asset or service or the construction of that asset or service; or ii. involves a period of more than six months before or after the date of acquisition or supply; (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any obligation under any call or put option arrangement in respect of any shares or any form of guarantee or indemnity in respect of any call or put option arrangement; and (l) without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
Force Majeure Event	means any event due to any cause beyond the reasonable control of a party, including but not limited to sabotage, fire, flood, explosion, acts of God, civil commotion, strikes, riots, war.

TERM	DEFINITION/PARTICULARS
General Information Document or **GID**	means the general information document dated November 11, 2025 issued by the Issuer for subscription to non-convertible securities to be issued by the Issuer (including the Debentures) on a private placement basis in accordance with the Debt Listing Regulations.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law.
Gross Loan Portfolio	means the outstanding principal balance of all of the Company's outstanding Loans including current, delinquent and restructured Loans, and includes principal balance of all Loans securitized, assigned, originated on behalf of other institutions or otherwise sold off in respect of which the Company has provided credit enhancements in any form or manner whatsoever, but not Loans that have been charged off. It does not include interest receivables and accrued interest.
Holding Company	means, India Finsec Limited.
Hypothecated Assets	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
INR/Rs./Indian Rupees	means Indian Rupees, the lawful currency of India.
Information Utility	means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.
Interest Payment Dates	means the dates on which the interest in respect of the Debentures is required to be paid and "Interest Payment Date" shall be construed accordingly. The interest payment dates are set out in Annexure IV of this Key Information Document.
Interest Rate	means 12.25% (twelve decimal two five percent) per annum (fixed), payable monthly on the Interest Payment Dates as specified in Annexure IV of this Key Information Document.
Issue	means this issue of the Debentures.
Issue Closing Date	means January 14, 2026
Issue Opening Date	means January 14, 2026
Key Information Document or **KID**	means this key information document for subscription to the Debentures on a private placement basis in accordance with the Debt Listing Regulations.
Listed NCDs Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/ DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, supplemented or restated from time to time.
Listing Period	has the meaning given to it in Section 6.1 (*Summary Terms*) of the Key Information Document
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Master Circular for Debenture Trustees	means the SEBI circular bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025 on "*Master Circular for Debenture Trustees*", as amended, modified, supplemented or restated from time to time.
Material Adverse Effect	shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Company where net worth erodes by more than 10%; (ii) the ability of the Company to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).

TERM	DEFINITION/PARTICULARS
N.A.	Not Applicable
NBFC	means non-banking financial company
NBFC Registration for Scale Based Regulation Master Directions	means the master directions on '*Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025*' dated November 28, 2025, issued by the Reserve Bank of India, and as amended or updated, as the case may be, from time to time.
NBFC Prudential Norms on Capital Adequacy Master Directions	means the master directions on '*Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025*' dated November 28, 2025, issued by the Reserve Bank of India, and as amended or updated, as the case may be, from time to time.
Net Worth	has the meaning given to it in the Companies Act.
NSDL	means National Securities Depository Limited.
NSE	means National Stock Exchange of India Limited.
Outstanding Amounts	means, on any date, the Outstanding Principal Amounts together with any interest, additional interest, default interest, costs, fees, charges, expenses, and other amounts payable by the Issuer in respect of the Debentures and under the transaction documents.
Outstanding Principal Amounts	means, at any date, the principal amounts outstanding under the Debentures.
PAN	means Permanent Account Number
Payment Default	has the meaning given to it in Section 6.1 (*Summary Terms*) of the Key Information Document.
Personal Guarantees	means, collectively, the unconditional and irrevocable personal guarantees dated on or about the Deemed Date of Allotment provided by each of the Personal Guarantors in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders), guaranteeing the Secured Obligations, and "**Personal Guarantee**" shall be construed accordingly
Personal Guarantors	means, collectively: (a) Mr. Gopal Bansal, an Indian citizen holding permanent account number AAHPB8176F , currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; and (b) Mrs. Sunita Bansal, an Indian citizen holding permanent account number AZJPS4858C, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India.
Potential Event of Default	means any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default.
Private Placement Offer cum Application Letter or **PPOA**	means the private placement offer and application letter issued/to be issued by the Issuer for subscription to the Debentures on a private placement basis in accordance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	means each person comprising the Promoter Group, and "**Promoter**" shall be construed accordingly.
Promoter Group	means collectively: (a) India Finsec Limited, a company incorporated under the Companies Act, 2013 with CIN L65923DL1994PLC060827 and a non-banking financial company registered with the RBI, and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, North West Delhi, New Delhi - 110085, India; (b) Mr. Gopal Bansal, an Indian citizen holding permanent account number AAHPB8176F, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; (c) Mrs. Sunita Bansal, an Indian citizen holding permanent account number AZJPS4858C, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India;

TERM	DEFINITION/PARTICULARS
	(d) Ms. Ganga Devi Bansal, an Indian citizen holding permanent account number AAHPB8175G, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; (e) Mr. Arvind Kumar Bansal, an Indian citizen holding permanent account number AEPPB9263D, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; and (f) Gopal Bansal HUF, a Hindu undivided family, holding permanent account number AAEHG7205B, and having its registered office at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India.
Purpose	has the meaning given to it in Section 6.1 (*Summary Terms*) of the Key Information Document.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
Rating	means the credit rating for the Debentures from the Rating Agency, being, "CRISIL BBB" affirmed/assigned by the Rating Agency through its letter dated December 24, 2025.
Rating Agency	means CRISIL Ratings Limited , having its registered office at Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India, India
RBI or **Central Bank**	means the Reserve Bank of India.
Record Date	means the date falling 15 (fifteen) calendar days prior to each Due Date.
Recovery Expense Fund	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of Chapter IV (*Recovery Expenses Fund*) of the Master Circular for Debenture Trustees.
Redemption Dates	means the dates as specified in Annexure IV of this Key Information Document, or any other date in accordance with sub-sections named "*Early Redemption*" or "*Voluntary Redemption*" or "*Optionally Accelerated Redemption Option*" under Section 6.1 (*Summary Terms*) of this KID, on which payment of the Outstanding Principal Amounts is required to be made in respect of the Debentures, and "Redemption Date" means any one of them.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Companies Act.
Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being Skyline Financial Services Private Limited.
Related Party	has the meaning given to it in the Companies Act.
Resolutions	means the shareholders resolutions, each dated September 29, 2022, under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, and the resolution dated January 07, 2026 of the board of directors of the Issuer.
ROC	means the jurisdictional registrar of companies.
RTGS	means Real Time Gross Settlement.
SEBI	means the Securities and Exchange Board of India.
SEBI Centralized Database Requirements	means the requirements prescribed in Chapter IV (*Centralized Database for corporate bonds/ debentures*) of the Listed NCDs Master Circular read together with Chapter XII (*Centralised Database - Responsibilities of Debenture Trustee*) of the Master Circular for Debenture Trustees.
SEBI Listed Debentures Circulars and Regulations	means, collectively, Master Circular for Debenture Trustees, the Listed NCDs Master Circular, SEBI NCS Listing Regulations and the LODR Regulations (to the extent applicable).
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular.
SEBI LODR Master Circular	means the master circular issued by SEBI bearing reference number

TERM	DEFINITION/PARTICULARS
	SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 on "*Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities*" to the extent applicable in respect of the private placement of debt securities, read with the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025 on "*Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper*", each as amended, modified or restated from time to time.
SEBI LODR Regulations or LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
SEBI NCS Regulations or **SEBI Debt Listing Regulations** or **Debt Listing Regulations**	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the Listed NCDs Master Circular, as amended, modified or restated from time to time.
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, the default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Issuer in respect of the Debentures.
Security Cover	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Step Up	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
Step Up Rate	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "*Prudential Framework for Resolution of Stressed Assets*", as amended, modified or restated from time to time.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Issuer under the transaction documents.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date.
Tier I Capital	has the meaning given to it in the NBFC Prudential Norms on Capital Adequacy Master Directions.
Transaction Documents	means, collectively: (a) the Debenture Trust Deed; (b) the Debenture Trustee Agreement; (c) the Deed of Hypothecation; (d) the Personal Guarantees;

TERM	DEFINITION/PARTICULARS
	(e) the Disclosure Documents; (f) any undertakings from the Issuer and/or the shareholders of the Issuer as are required by the Debenture Holders (if any); and (g) any other document that may be designated as a Transaction Document by the Debenture Trustee, and "Transaction Document" means any of them.
Transaction Security	has the meaning given to it in Section 6.1 (*Summary Terms*) of this Key Information Document.
WDM	means the Wholesale Debt Market.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

Please refer to Section 2.1 of the General Information Document for the disclaimers by the Issuer.

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE KEY INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

Please refer to Section 2.2 of the General Information Document for the disclaimers in respect of the stock exchanges.

2.3 DISCLAIMER CLAUSE OF RBI

Please refer to " Section 2.3 of the General Information Document for the disclaimers in respect of the RBI.

2.4 DISCLAIMER CLAUSE OF SEBI

Please refer to Section 2.4 of the General Information Document for the disclaimers in respect of SEBI.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE KEY INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE KEY INFORMATION DOCUMENT. THE LEAD MANAGER(S) (IF ANY) HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE KEY INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

Please refer to Section 2.5 of the General Information Document for the disclaimers in respect of the jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCY

Please refer to Section 2.6 of the General Information Document for the disclaimers in respect of the Rating Agency.

2.7 ISSUE OF NON-CONVERTIBLE DEBENTURES IN DEMATERIALISED FORM

Please refer to Section 2.7 of the General Information Document for the disclaimers in respect of the issue of Debentures in Dematerialised Form.

2.8 DISCLAIMER IN RESPECT OF MERCHANT BANKER

THE MERCHANT BANKER ACCEPTS NO RESPONSIBILITY FOR ANY STATEMENTS OR INFORMATION PROVIDED OTHER THAN THOSE CONTAINED IN THIS KEY INFORMATION DOCUMENT, OR ANY ADVERTISEMENT OR MATERIAL AUTHORIZED BY OR ISSUED AT THE INSTANCE OF THE ISSUER. ANY PERSON PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WILL BE DOING SO ENTIRELY AT THEIR OWN RISK. THE MERCHANT BANKER DOES NOT GUARANTEE THE FINANCIAL PERFORMANCE OF THE ISSUER OR THE PROJECT, NOR ASSUME RESPONSIBILITY FOR THE ACCURACY, COMPLETENESS, OR ADEQUACY OF ANY OPINIONS EXPRESSED HEREIN. INVESTORS ARE STRONGLY ENCOURAGED TO MAKE INDEPENDENT DECISIONS AFTER CAREFULLY EVALUATING ALL AVAILABLE INFORMATION.

SECTION 3: RISK FACTORS

Please refer to Section 3 of the General Information Document for the risk factors in respect of the issuance of Debentures.

Risk Relating to Unavailability of Latest Quarterly Data

The investors are advised that certain disclosures required as of the end of the latest completed quarter, including (i) the list of the top ten equity shareholders of the Company; (ii) the shareholding pattern in the format prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (iii) details of any pending proceedings initiated against the Issuer for economic offences, are presented as on September 30, 2025. This is due to the unavailability of relevant data as on December 31, 2025, at the time of issuance of this Key Information Document. As such, the information presented may not reflect the Company's most current position as of the end of the latest quarter. In addition, the financial disclosures contained herein are based on financial information as of September 30, 2025, or such other specific dates as mentioned, in compliance with applicable legal provisions. The financial statements for the period ended December 31, 2025, are currently in the process of finalization, and the statutory timeline for their disclosure has not yet elapsed. Investors are therefore advised to consider these limitations while evaluating the information provided and making their investment decisions.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 along with the limited review financial results as on September 30, 2025 are set out in **Annexure IV** of the General Information Document.

The limited review financial results as on September 30, 2025 are also set out in **Annexure VII** of this Key Information Document.

SECTION 5: REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this Section 5, the Issuer has set out the details required as per the SEBI Debt Listing Regulations (including Schedule I thereof).

5.1 **The Issuer shall file the following documents along with the listing application to the stock exchange and with the Debenture Trustee**

Along with this Key Information Document and the corporate authorisations for this issuance of the Debentures, the documents set out in Section 5.1 of the General Information Document have been / shall be submitted along with the listing application to the NSE and with the Debenture Trustee.

5.2 **The following documents have been / shall be submitted to NSE at the time of filing the draft of this Key Information Document:**

Due diligence certificates from the Debenture Trustee as per the format specified in the Master Circular for Debenture Trustees and in the SEBI Debt Listing Regulations.

5.3 **Details of Promoters of the Issuer**:

Please refer to Section 5.3 of the General Information Document for the details of the Promoters of the Issuer.

5.4 **Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.**

CRISIL Ratings Limited has affirmed/assigned a rating of "CRISIL BBB" through its letter dated December 24, 2025 for the Debentures to be issued in the proposed Issue. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release are provided in **Annexure I** of this Key Information Document.

The Issuer hereby declares that the rating is and shall be valid as on the date of issuance and listing of any Debentures.

5.5 **Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board:**

The Debentures are proposed to be listed on the WDM segment of the NSE within the time period prescribed under the SEBI Listing Timelines Requirements. The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer has obtained the in-principle approval for the listing of the debentures in accordance with the General Information Document from NSE, and the same is annexed in **Annexure X** of this Key Information Document.

The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Recovery Expense Fund shall be created by the Issuer with NSE in accordance with Chapter IV of the Master Circular for Debenture Trustees.

5.6 **Issue Schedule:**

PARTICULARS	DATE
Issue Opening Date	January 14, 2026
Issue Closing Date	January 14, 2026
Pay In Date	January 16, 2026

Deemed Date of Allotment	January 16, 2026

5.7 **Name, logo, addresses, website URL, email address, telephone number and contact person of specific entities in relation to the Issue:**

(a) **Legal Counsel**

Name	Verist Law
Logo	VERIST LAW
Address	Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai- 400013
Website	www.veristlaw.in
E-mail address	Srishti.ojha@veristlaw.com
Telephone Number	022-66907368
Contact Person Details	Srishti Ojha

(b) **Merchant Banker and co-managers to the issues**

Name	SKI Capital Services Ltd.
Logo	SKI Grow with us
Address	718, Dr. Joshi Road, Karol Bagh, New Delhi - 110005
Website	https://www.skicapital.net
E-mail address	dcm@skicapital.net
Telephone Number	+91-011-41189899
Contact Person Details	Mr. Manick Wadhwa/ Mr.Daljit Singh

(c) **Guarantor**

Name	Mr. Gopal Bansal
Logo	N.A.
Address	A-1/11, Near NK Bagrodia Public School, Varun Apartments, Plot No.12, Sector-9, Rohini, Delhi-110085
Website	N.A.
E-mail address	gopalbansal@iflfinanceltd.com
Telephone Number	011-47096097
Contact Person Details	Mr. Gopal Bansal

Name	Mrs. Sunita Bansal
Logo	N.A.
Address	A-1/11, Near NK Bagrodia Public School, Varun Apartments, Plot No.12, Sector-9, Rohini, Delhi-110085
Website	N.A.
E-mail address	sunita.bansal@iflfinanceltd.com
Telephone Number	011-47096097
Contact Person Details	Mrs. Sunita Bansal

(d) **Arrangers**

Name	N.A.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

(e) **Debenture Trustee to the Issue**

Name	Catalyst Trusteeship Limited
Logo	
Address	901, 9th Floor, Tower B, Peninsula Business Park, Bapat Marg, Lower Parel, Mumbai 400013 Maharashtra
Website	www.catalysttrustee.com
E-mail address	ComplianceCTL-Mumbai@ctltrustee.com
Telephone Number	+91(022)49220555
Contact Person Details	Mr. Umesh Salvi

(f) **Credit Rating Agency for the Issue**

Name	CRISIL Ratings Limited
Logo	
Address	Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India
Website	Crisilratings.com
E-mail address	Crisilratingdesk@Crisil.com
Telephone Number	91-22-6137 3000 (B)
Contact Person Details	Mr. Ajit Velonie

(g) **Registrar the Issue**

Name	Skyline Financial Services Private Limited
Logo	
Address	D-153 A, Ist Floor, Okhla Industrial Area, Phase - I New Delhi-110 020
Website	www.skylinerta.com
E-mail address	Compliances@skylinerta.com
Telephone Number	011-40450193
Contact Person Details	Mr. Pawan Singh Bisht

(h) **Statutory Auditors**

Name	Ajay Rattan & Co.
Logo	AJAY RATTAN & CO. CHARTERED ACCOUNTANTS
Peer review certificate no.	014491
Address	E-115, 11th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi-110001
Website	https://ajayrattanco.com/
E-mail address	varun@ajayrattanco.com
Telephone Number	011-41511852
Contact Person Details	Mr. Varun Garg

5.8 **About the Issuer**

The following details pertaining to the issuer:

(a) **Overview and a brief summary of the business activities of the Issuer**

Please refer to Section 5.8(a) of the General Information Document for overview and a brief summary of the business activities of the Issuer.

(b) **Structure of the group:**

Please refer to Section 5.8(b) of the General Information Document for the structure of the group of the Issuer.

(c) **A brief summary of the business activities of the subsidiaries of the issuer:**

Please refer to Section 5.8(c) of the General Information Document for the business activities of the subsidiaries of the issuer.

(d) **Details of branches or units where the issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link.**

If the issuer provides the details of branches or units in the form of a static QR code and web link, the details of the said branches or units shall be provided to the debenture trustee as well and kept available for inspection as specified in Section 5.38(g) below.

A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing information about branches or units of the issuer to the debenture trustee and confirmation of the same by the debenture trustee:

Web Link or Static QR Code:

The Issuer has also provided the details of its branches or units where it carries on its business activities to the Debenture Trustee, and has been included as a checklist item in the "Security and Covenant Monitoring System" for providing the relevant information to the Debenture Trustee. A confirmation in respect of the foregoing has been received from the Debenture Trustee.

(e) **Use of proceeds (in the order of priority for which the said proceeds will be utilized): (i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project**

The proceeds raised from the issue of the Debentures are not being utilised for funding of any projects. Please refer Section 6.1 (*Summary Terms*) below for the Purpose.

5.9 **Expenses of the Issue: Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:**

S.NO	PARTICULARS	FEE/EXPENSE AMOUNT (INR)	% OF TOTAL ISSUE EXPENSES	% OF TOTAL ISSUE SIZE**
1.	Lead Manager(s) fees	-	-	-
2.	Underwriting commission	-	-	-
3.	Brokerage, selling commission and upload fees	-	-	-
4.	Fees payable to the registrars to the issue	5,000	0.55%	0.003%
5.	Fees payable to the legal advisors	1,40,000	15.32%	0.087%
6.	Advertising and marketing expenses	-	-	-
7.	Fees payable to the regulators including stock exchanges***	30,000	3.28%	0.019%
8.	Expenses incurred on printing and distribution of issue stationary	-	-	-
9.	Any other fees, commission and payments under whatever nomenclature	-	-	-
10.	Fees payable to the Debenture Trustee	1,20,000	13.13%	0.075%

* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.

** As the Debentures will be issued by way of private placement through in accordance with the process prescribed by SEBI and/or NSE, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.
***includes the annual listing fees to the stock exchange on a pro rata basis.

5.10 **Financial Information**

(a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the offer document or placement memorandum, may provide only a web-link and a static quick response code of the audited financial statements in the offer document or placement memorandum subject to the following conditions:

(i) Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document.

(ii) The scanning of such static quick response code or clicking on the web-link, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.

Please refer to Annexure IV of the General Information Document for the audited financial statements of the Issuer for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023 along with the limited review financial results as on September 30, 2025. Please also refer to Annexure VII of this Key Information Document for the limited review financial results as on September 30, 2025.

(b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.**

Please refer to Annexure IV of the General Information Document for the audited financial statements of the Issuer for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023 along with the limited review financial results as on September 30, 2025. Please also refer to Annexure VII of this Key Information Document for the limited review financial results as on September 30, 2025.

(c) **Issuers other than REITs/ InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

(i) The issue is made on the Electronic Book Platform of the stock exchange, irrespective of the issue size; and

(ii) In case of issue of securities on a private placement basis, the issue is open for subscription only to qualified institutional buyers

Not applicable as the Issuer has been existence for more than 3 (three) years.

(d) **The above financial statements shall be accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.**

Please refer to Annexure IV of the General Information Document for the audited financial statements of the Issuer for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023 along with the limited review financial results as on September 30, 2025. Please also refer to Annexure VII of this Key Information Document for the limited review financial results as on September 30, 2025.

(e) **Key Operational and Financial Parameters on a consolidated basis and on a standalone basis in respect of the financial information provided under (a) to (c) above:**

Standalone Basis:

PARTICULARS	MARCH 31, 2023 (INR in crores)	MARCH 31, 2024 (INR in crores)	MARCH 31, 2025 (INR in crores)	SEPTEMBER 30, 2025 (INR IN CRORES)
	Audited	Audited	Audited	Limited Review
BALANCE SHEET				
Assets				
Property, Plant and Equipment	1.60	1.54	1.93	2.29
Financial Assets	264.70	289.60	347.23	412.16
Non-financial Assets excluding property, plant and equipment	9.79	9.38	12.70	14.31
Total Assets	276.09	300.52	361.86	428.76
Liabilities				
Financial Liabilities				
-Derivative financial instruments				
-Trade Payables				
-Debt Securities				
-Borrowings (other than Debt Securities)	169.47	182.42	187.80	238.74
-Subordinated liabilities				
-Other financial liabilities	10.54	9.60	12.62	14.87
Non-Financial Liabilities				
-Current tax liabilities (net)	0.87	1.02	0.96	3.61
-Provisions	0.32	0.43	0.64	0.76
-Deferred tax liabilities (net)				
-other non-financial liabilities	0.02	0.02	0.10	
Equity (Equity Share Capital and Other Equity)	94.88	107.04	159.74	170.77
Total Liabilities and Equity	276.09	300.52	361.86	428.76
PROFIT AND LOSS				
Revenue from operations	44.52	63.34	71.11	38.74
Other Income	1.24	0.44	0.26	0.40
Total Income	45.77	63.78	71.37	39.14
Total Expense	39.52	47.73	47.45	24.26
Profit after tax for the year	4.47	12.15	18.13	11.02
Other Comprehensive income	-0.04	0.01	-0.01	-
Total Comprehensive Income	4.44	12.16	18.11	11.02
Earnings per equity share (Basic)	0.73	1.84	2.65	1.67

Earnings per equity share (Diluted)	0.73	1.84	2.65	1.67
Cash Flow				
Net cash from/ used in (-) operating activities	-96.91	-13.00	-30.59	-41.04
Net cash from/ used in (-) investing activities	4.72	0.03	2.94	-5.10
Net cash from/ used in (-) financing activities	94.87	10.77	36.83	49.58
Net increase/decrease (-) in cash and cash equivalents	2.68	-2.20	9.18	3.44
Cash and cash equivalents as per Cash Flow Statement as at the end of Year/Half year	4.38	2.18	11.36	14.80
Additional Information				
Net Worth	94.88	107.04	159.74	170.77
Cash and cash equivalents	4.38	2.18	11.36	14.80
Loans*	169.47	182.42	187.80	238.74
Loans (Principal Amount)	-	-	-	238.74
Total Debts to Total Assets	0.61	0.61	0.52	0.56
Interest Income	42.17	60.84	68.51	36.95
Interest Expense	17.04	23.26	25.33	13.55
Impairment on Financial Instruments	0.56	0.49	-	-
Bad Debts to Loans **	Nil	Nil	Nil	Nil
% Stage 3 Loans on Loans (Principal Amount)	0.99%	1.13%	0.67%	0.73%
% Net Stage 3 Loans on Loans (Principal Amount)	0.77%	0.78%	0.46%	0.50%
Tier I Capital Adequacy Ratio (%)	52.42%	52.98%	56.78%	47.17%
Tier II Capital Adequacy Ratio (%)	0.41%	9.87%	8.99%	6.97%

**** The balance is as per the Indian Accounting Standards (Ind AS).***

***** We have Nil bad debts for the periods. However, bad debts (in the nature of loss on gold auction) amounting to INR 0.02 Cr. and INR 0.04 Cr were written off during the period ended Jun-25 and Mar-25 respectively.***

Consolidated Basis: The requirement of audited financial statements on a consolidated basis is not applicable to the Issuer.

(f) **Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:**

Please refer to Section 5.10(f) of the General Information Document for the details of the contingent liability of the Issuer for the financial year ended March 31, 2025.

(g) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

Please refer to Section 5.10(g) of the General Information Document for the details of corporate guarantee or letter of comfort issued by the Issuer.

5.11 **A brief history of Issuer since its incorporation giving details of its following activities:**

(a) **Details of Share Capital as on last quarter end i.e., September 30, 2025:**

Please refer Section 5.11(a) of the General Information Document for the details of the share capital of the Issuer.

(b) **Changes in its capital structure as on last quarter end, i.e. September 30, 2025 for the preceding three financial years and current financial year:**

Please refer Section 5.11(b) of the General Information Document for the details of the capital structure of the Issuer.

(c) **Details of the equity share capital for the preceding three financial years and current financial year:**

Please refer Section 5.11(c) of the General Information Document for the details of the equity share capital of the Issuer.

(d) **Details of any acquisition of or amalgamation with any entity in the preceding one year:**

Please refer Section 5.11(d) of the General Information Document for the details of any acquisition of or amalgamation of the Issuer.

(e) **Details of any Reorganization or Reconstruction in the preceding one year:**

Please refer Section 5.11(e) of the General Information Document for the details of any reorganization or reconstruction of the Issuer.

(f) **Details of the shareholding of the Company as at the latest quarter end, i.e. September 30, 2025 as per the format specified under the listing regulations:**

Please refer Section 5.11(d) of the General Information Document for the details of shareholding of the Issuer as of September 30, 2025.

(g) **List of top ten holders of equity shares of the Company as on the latest quarter end, i.e., September 30, 2025:**

Please refer Section 5.11(g) of the General Information Document for the list of top ten holders of equity shares of the Issuer.

5.12 **Following details regarding the directors of the Company:**

(a) **Details of the current directors of the Issuer:**

Please refer Section 5.12(a) of the General Information Document for the details of the current directors of the Issuer.

(b) **Details of change in directors in the preceding three financial years and current financial year:**

Please refer Section 5.12(b) of the General Information Document for the details of the change in directors of the Issuer.

(c) **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years):**

(i) Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

Please refer Section 5.12(c)(i) of the General Information Document for the relevant details for the Financial Year ended March 31, 2023, March 31, 2024, March 31, 2025, and the current Financial Year.

(ii) Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;

Please refer Section 5.12(c)(ii) of the General Information Document for the details of the appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company for the Financial Year ended March 31, 2023, March 31, 2024, March 31, 2025, and the current Financial Year.

(iii) Full particulars of the nature and extent of interest, if any, of every director:

A. in the promotion of the issuer company; or

B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or

C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

Please refer Section 5.12(c)(iii) of the General Information Document for the details of the full particulars of the nature and extent of interest, if any, of every director.

(d) **Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**

Please refer Section 5.12(d) of the General Information Document for the details of contribution being made by the directors as part of the offer or separately in furtherance of such objects.

5.13 **Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.**

Please refer Section 5.13 of the General Information Document for the details of any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.

5.14 **Following details regarding the auditors of the Issuer:**

(a) **Details of the auditor of the Issuer:**

Please refer Section 5.14(a) of the General Information Document for the details of the auditors of the Issuer.

(b) **Details of change in auditors for preceding three financial years and current financial year:**

Please refer Section 5.14(b) of the General Information Document for the Financial Year ended March 31, 2023, March 31, 2024, March 31, 2025, and the current Financial Year. There is no change in the information set out in Section 5.14(b) of the General Information Document.

5.15 **Details of the following liabilities of the issuer, as at the end of the preceding quarter, or if available, a later date:**

(a) **Details of outstanding secured term loan facilities as at the end of the last quarter, i.e., September 30, 2025**:

Please refer Section 5.15(a) of the General Information Document for the details of the outstanding secured loan facilities of the Issuer for the financial quarter ended September 30, 2025.

(b) **Details of outstanding unsecured loan facilities as at the end of the last quarter, i.e. September 30, 2025:**

Please refer Section 5.15(b) of the General Information Document for the details of the outstanding unsecured loan facilities of the Issuer for the financial quarter ended September 30, 2025.

(c) **Details of outstanding non-convertible securities as at the end of the last quarter, i.e., September 30, 2025:**

Please refer Section 5.15(c) of the General Information Document for the details of the outstanding non-convertible securities of the Issuer for the financial quarter ended September 30, 2025.

(d) **Details of commercial paper issuances as at the end of the last quarter as at the end of the last quarter, i.e., September 30, 2025:**

Please refer Section 5.15(d) of the General Information Document for the details of the commercial paper issuances as at the end of the quarter ended September 30, 2025.

(e) **List of top ten holders of non-convertible securities in terms of value (on a cumulative basis) as at the end of the last quarter, i.e., September 30, 2025**:

Please refer Section 5.15(e) of the General Information Document for the list of top ten holders of non-convertible securities of the Issuer as at the end of the last quarter, i.e., September 30, 2025.

(f) **List of top ten holders of commercial paper in terms of value (on a cumulative basis) as at the end of the last quarter, i.e., September 30, 2025:**

Please refer Section 5.15(f) of the General Information Document for the list of top ten holders of commercial paper of the Issuer as at the end of the last quarter, i.e., September 30, 2025.

(g) **Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors:**

Please refer Section 5.15(g) of the General Information Document for the details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors as at the end of the last quarter, i.e., September 30, 2025.

5.16 **The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.**

Please refer Section 5.16 of the General Information Document for the amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.

5.17 **Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:**

- **in whole or part,**
- **at a premium or discount, or**
- **in pursuance of an option or not.**

Please refer Section 5.16 of the General Information Document for the details of any outstanding borrowings taken/ debt securities issued for consideration other than cash.

5.18 **Where the Issuer is a non-banking finance company or housing finance company, the required disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:**

Please refer Section 5.17 and Annexure IX and Annexure X of the General Information Document for the disclosures required in respect of Asset Liability Management (ALM) as per the audited financial statements for the Financial Year ended March 31, 2025.

5.19 **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year:**

Please refer to Section 5.18 of the General Information Document for the details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year.

5.20 **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.**

Please refer to Section 5.19 of the General Information Document for the details of the material event/development or change on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.). There are no changes to the information set out in Section 5.19 of the General Information Document.

5.21 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company:**

Please refer to Section 5.20 of the General Information Document for the details of the any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the Issuer. There are no changes to the information set out in Section 5.20 of the General Information Document.

5.22 **Details of default and non-payment of statutory dues for the preceding three financial years and current financial year:**

Please refer to Section 5.21 of the General Information Document for the details of default and non-payment of statutory dues for the financial years ended March 31, 2023, March 31, 2024, March 31, 2025, and current financial year.

5.23 **Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares**

Please refer to Section 5.22 of the General Information Document for the details of the relevant pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person. There are no changes to the information set out in Section 5.22 of the General Information Document.

5.24 **Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer**

Please refer to Section 5.23 of the General Information Document for the details of the relevant pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person. There are no changes to the information set out in Section 5.23 of the General Information Document.

5.25 **Details of pending proceedings initiated against the issuer for economic offences, if any**

Please refer to Section 5.24 of the General Information Document for the details of the pending proceedings initiated against the issuer for economic offences, if any. There are no changes to the information set out in Section 5.24 of the General Information Document.

5.26 **Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided**

Please refer to Section 5.25 of the General Information Document for the details of related party transactions entered during the financial years ended March 31, 2023, March 31, 2024, and March 31, 2025, and current financial year.

5.27 **In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:**

Please refer to Section 5.27 of the General Information Document.

5.28 **In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents: (i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs. (ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs. (iii) Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.**

Please refer to Section 5.28 of the General Information Document.

5.29 **Consent of directors, auditors, bankers to issue, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

PARTICULARS	REFERENCING
Directors	Please refer **Annexure VIII** in respect of the resolutions passed at the meeting of the board of directors of the Issuer.
Auditors	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no auditor's report is being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the auditor is required.
Bankers to issue	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers have been appointed in respect of such issue of Debentures.
Solicitors /Advocates	Not applicable.
Legal Advisors	Consent of the legal counsel has been obtained.
Lead Manager	Not applicable.
Registrar	The consent letter from the Registrar is provided in **Annexure II** of this Key Information Document.
Lenders of the Issuer	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no statements or confirmations from any lenders are being obtained in

	respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.
Experts	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no statements or confirmations from any experts are being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.

5.30 **The names of the debenture trustees(s), a statement to the effect that the debenture trustee has consented to its appointment along with a copy of the agreement executed by the debenture trustee with the issuer in accordance with regulation 13 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 made accessible through a web-link or a static quick response (QR) code displayed in the issue document:**

Provided that in case the issuer files a general information document or shelf prospectus, the issue may disclose a copy of the letter obtained from the debenture trustee consenting to its appointment instead of the agreement.

Explanation: In case the issuer files a key information document or tranche prospectus in accordance with these regulations, the issuer shall disclose a copy of the agreement stated above

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders.

The consent letter from Debenture Trustee is provided in **Annexure II** of this Key Information Document.

The Debenture Trustee Agreement is enclosed under **Annexure XI** of this Key Information Document.

Web Link or Static QR Code:

5.31 **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the issue document.**

The Debentures shall be supported/guaranteed by way of unconditional and irrevocable guarantees to be provided by each of the Personal Guarantors pursuant to the Personal Guarantees in favor of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders). The indicative drafts of the deed of guarantee are set out in Annexure XII of this Key Information Document

5.32 **Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention**

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made***: Actual / Actual. Please also refer to the sub-section named "*Business Day Convention*" under Section 6.1 (*Summary Terms*) of this Key Information Document.

(b) ***Procedure and time schedule for allotment and issue of securities***: Please refer to the sub-section named "*Issue Timing*" under Section 6.1 (*Summary Terms*) of this Key Information Document.

(c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration***: The cash flows emanating from the Debentures, by way of an illustration, are set out under Annexure IV (*Illustration of Bond Cash flows*) of this Key Information Document.

5.33 **Disclosures pertaining to wilful defaulter:**

(a) **The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter**:

(i) ***Name of the bank declaring as a wilful defaulter:*** N.A.

(ii) ***The year in which it was declared as a wilful defaulter:*** N.A.

(iii) ***Outstanding amount when declared as a wilful defaulter:*** N.A.

(iv) ***Name of the entity declared as a wilful defaulter:*** N.A.

(v) ***Steps taken, if any, for the removal from the list of wilful defaulters:*** N.A.

(vi) ***Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions:*** N.A.

(vii) ***Any other disclosure as specified by the Board***: N.A.

(b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages**: N.A.

5.34 **Undertaking by the Issuer**: Please refer Section 9 (*Undertaking*) of this Key Information Document.

5.35 **Risk Factors**: Please refer Section 3 (*Risk Factors*) of the Key Information Document.

5.36 **Attestation by Authorised Person(s)**: Please refer Section 9.2 (*Attestation by Authorised Person(s)*) of this Key Information Document.

5.37 **Other details:**

(a) ***Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability***: Please refer Section 5.33(a) of the General Information Document for the details in respect of the creation of DRR

(b) ***Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.)***: The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, and the guidelines and directions issued by the RBI and SEBI, applicable to issuance of non-convertible debentures on a private placement basis.

(c) ***Default in payment***: Please refer to the sub-section named "*Default Interest Rate*", "*Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)*" and "*Additional Disclosures (Default in Payment)*" of Section 6.1 (*Summary Terms*) of the Key Information Document in respect of the consequences of a Payment Default.

(d) ***Delay in listing***: Please refer the sub-section named "*Listing (name of stock Exchange(s) where it will be listed and timeline for listing)*" of Section 6.1 (*Summary Terms*) of the Key Information Document in relation to the listing requirements in respect of the Debentures and sub-section named "*Additional Disclosures (Delay in Listing)*" of Section 6.1 (*Summary Terms*) of the Key Information Document in respect of the default interest in the event of delay in listing.

(e) ***Delay in allotment of securities***:

(i) The Debentures shall be/have been deemed to be allotted to the Debenture Holders on the Deemed Date of Allotment. All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.

(ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iii) If the Issuer fails to repay the Application Money within the Repayment Period, then the Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

(f) ***Issue details***: Please refer to Section 6.1 (*Summary Terms*) of this Key Information Document

(g) ***Application process***: The application process for the Issue is as provided in Section 7 (*Other Information and Application Process*) of this Key Information Document.

(h) ***Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any***: Please refer Section 11 for all disclosures required under the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(i) ***Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project***: Not applicable.

5.38 **Other matters and reports**:

(a) **If the proceeds, or any part of the proceeds, of the issue of the debt securities are or is to be applied directly or indirectly:**

(i) **in the purchase of any business; or**

(ii) **in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith**

the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon -

(A) **the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and**

(B) **the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.**

Not applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 6.1 of this Key Information Document).

(b) **In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding**

(i) **the names, addresses, descriptions and occupations of the vendors;**

(ii) **the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;**

(iii) **the nature of the title or interest in such property proposed to be acquired by the company; and**

(iv) **the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:**

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the offer document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified in sub-section (g) below. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee.

Not applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 6.1 of this Key Information Document).

(c) **If:**

(i) **the proceeds, or any part of the proceeds, of the issue of the debt securities are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and -**

(ii) **by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –**

(A) **the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and**

(B) **the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

Not applicable. The proceeds from the issue of Debentures will be utilised in accordance with the Purpose (as set out in Section 6.1 of this Key Information Document).

(d) **The said report shall:**

(i) **indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and**

(ii) **where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in Section 5.38(c)(ii) above.**

Not applicable.

(e) **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed.**

Please refer Section 5.34(e) and Annexure XIV of the General Information Document for the broad lending and borrowing policy of the Issuer.

(f) **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies are as follows.**

Please refer to Section 5.34(f) of the General Information Document for details of the aggregate number of securities of the issuer company and its subsidiary companies purchased or sold. There are no changes to the information set out in Section 5.34(f) of the General Information Document.

(g) **The matters relating to: (i) Material contracts; (ii) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list**

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Issuer or entered into more than 2 (two) years before the date of this Key Information Document which are or may be deemed material have been entered into by the Issuer.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Issuer between on 10.00 am to 4.00 pm Business Days.

S. No.	Nature of Contract
1.	Certified true copy of the memorandum of association, the articles of association, and the certificate of incorporation of the Issuer.
2.	Resolution dated January 07, 2026 of the board of directors of the Issuer.
3.	Resolution dated September 29, 2022 of the shareholders of the Issuer authorizing borrowings by the Issuer.

S. No.	Nature of Contract
4.	Annual reports of the Issuer for the last 3 (three) Financial Years.
5.	Credit rating letter, the rating rationale and the press release from the Rating Agency.
6.	Letter from Catalyst Trusteeship Limited dated January 05, 2026 giving its consent to act as Debenture Trustee.
7.	Letter from Skyline Financial Services Private Limited giving its consent to act as Register and Transfer Agent.
8.	Letter from SKI Capital Services Limited giving its consent to act as Merchant Banker.
9.	The tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depositories.
10.	The in-principle approval dated 13 November, 2025 provided by the NSE in respect of the General Information Document.
11.	The due diligence certificate(s) issued by the Debenture Trustee pursuant to the Master Circular for Debenture Trustees and the other SEBI Listed Debentures Circulars.
12.	The Transaction Documents (including the Disclosure Documents).

(h) **Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.**

Please refer to Section 5.34(h) of the General Information Document for relevant page numbers of the audit report for the Financial Years ended March 31, 2023, March 31, 2024, and March 31, 2025, which set out the details of the related party transactions entered into by the Issuer.

(i) **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.**

Please refer to Section 5.34(i) of the General Information Document for the summary of reservations or qualifications or adverse remarks of auditors in the financial years ended March 31, 2023, March 31, 2024, and March 31, 2025.

(j) **The details of:**

- **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law;**
- **prosecutions filed, if any (whether pending or not); and**
- **fines imposed or offences compounded,**

in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Please refer to Section 5.34(j) the General Information Document. There are no changes to the information set out in Section 5.34(j) of the General Information Document.

5.39 **Details of the issue-wise green shoe option exercised vis-a-vis the base issue size and green shoe portion in issues undertaken in the previous financial year:**

S. NO.	ISIN	DATE OF ALLOTMENT	TOTAL ISSUE SIZE	BASE ISSUE SIZE	GREEN SHOE OPTION	TOTAL ALLOTMENT	GREEN SHOE OPTION EXERCISED

			(IN INR, IN CRORE)	(IN INR, IN CRORE)	(IN INR, IN CRORE)	(IN INR, IN CRORE)	(IN INR, IN CRORE)
1.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

5.40 **Summary Terms**: Please refer Section 6.1 (*Summary Terms*) of the Key Information Document.

SECTION 6: Key Terms OF THE ISSUE

6.1 SUMMARY TERMS

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	12.25% IFL 2028
Issuer	IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Type of Instrument	Listed, rated, senior, secured, transferable, redeemable, non-convertible debentures
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Eligible Investors	As specified in Section 7.15 (*Eligible Investors*) of the Key Information Document.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	(a) The Issuer shall submit all duly completed documents to the NSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Requirements (being on or prior to the expiry of 3 (three) Business Days from the "Issue Closing Date" set out in the Disclosure Documents) ("**Listing Period**"). (b) The Issuer shall ensure that the Debentures continue to be listed (in accordance with the SEBI NCS Regulations and other Applicable Law) on the wholesale debt market segment of the NSE. (c) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed. (d) The Issuer shall comply with all covenants, undertakings and requirements set out in Section 6.2.7 (*Listing and Monitoring Requirements*) of this Key Information Document.
Rating of the Instrument	"CRISIL BBB" by CRISIL Ratings Limited
Issue Size	Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only)
Minimum Subscription	1,000 (one thousand) Debentures of aggregate nominal value INR 1,00,00,000 (Indian Rupees One Crore) and in multiples of 1 (one) Debenture thereafter.
Option to retain oversubscription (Amount)	Not Applicable.
Objects of the Issue / Purpose for which there is requirement of funds	The Issue proceeds will be utilized entirely to originate loans secured by pledge of gold jewels.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose.
Details of the utilization of the Proceeds	The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose.

	The Issuer shall not use the proceeds of the Issue towards: (a) any capital market instrument such as equity and equity linked instruments or any other capital market related activities (b) any real estate activity; (c) any speculative purposes; (d) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. RBI/DOR/2025-26/154 DOR.CRE.REC.73/07-01-001/2025-26 dated November 28, 2025 on "Reserve Bank of India (Commercial Banks – Credit Facilities) Directions, 2025"; and (e) in contravention of any guidelines, rules or regulations of the RBI applicable to non-banking financial companies.
Coupon/Dividend Rate	Fixed interest of 12.25% (Twelve decimal two five per cent) per annum gross of applicable.
Step Up/Step Down Coupon Rate	Not Applicable
Coupon/Dividend Payment Frequency	Monthly. The indicative interest payment schedule is set out in Annexure IV (*Illustration of Bond Cashflows*) of the Key Information Document.
Coupon/Dividend Payment Dates	The Issuer shall pay accrued interest on the Outstanding Principal Amounts on each Coupon Payment Date until the Final Redemption Date. The indicative interest payment schedule is set out in Annexure IV (*Illustration of Bond Cashflows*) of the Key Information Document.
Cumulative / non cumulative, in case of dividend	Not Applicable.
Coupon Type (Fixed, floating or other structure)	Fixed.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not applicable.
Day Count Basis (Actual/Actual)	Interest and all other charges shall accrue based on an actual/actual basis
Interest on Application Money	Interest at the rate of 12.25% (Twelve decimal two five per cent) p.a. (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income-tax Act, 1961) will be paid on Application Money to the Applicants/ Initial Debenture Holders from the date of realization of the cheques / drafts or credit through RTGS / NEFT / direct credit up to one day prior to the Deemed Date of Allotment. This is applicable for all valid applications within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS / NEFT / direct credit to the bank account of the Applicant as described in the Application Form.
Default Interest Rate	5.00% (five decimal zero zero percent) per annum
Default Interest	***Event of Default*** If, at any time, there shall be a payment default or any other Event of Default (excluding breach of financial covenants where the default interest shall be as set out in sub-clause (v) below), the Company agrees to pay an additional interest at the Default Interest Rate above the applicable Interest Rate on the Outstanding Principal Amount from the date of the occurrence of the Payment Default or Event of Default until such Payment Default or Event of Default is cured. ***Delay in execution of Debenture Trust Deed*** If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI but not later than final listing application. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed. ***Delay in Security Creation***

	Issuer shall pay a penal interest of 2.0% p.a. (Two Percent per annum) over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets exceeding 30 (thirty) days. ***Delay in listing*** In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed. ***Breach of Financial Covenants*** In case of breach of any financial covenant as set out in Section 6.2.2 (*Financial Covenants*) the Issuer shall pay penal interest of 1.00% (one point zero zero percent) over and above the Coupon Rate till such default is cured. ***Breach of Reporting Covenants*** Issuer shall be required to pay a penalty of INR 6,000/- (Indian Rupees Six Thousand Only) for each day of delay in the event of non-adherence to the below reporting covenants on a timely basis. ***Failure to amend Articles of Association*** If the Issuer fails to amend that the Articles of Association of the Issuer, if not already amended, to give the right to the Debenture Holder or Debenture Trustee to appoint a Nominee Director or observer on the board in accordance with the terms of this Key Information Document/ the Debenture Trust Deed within 20 (twenty) days from the Deemed Date of Allotment. The Issuer shall pay a penalty at a rate of 3% per annum above the applicable Coupon Rate on the Outstanding Principal Amounts, unless an extension is mutually agreed upon due to delays attributable to the Registrar of Companies (ROC).
Tenor	24 (twenty four) months from the Deemed Date of Allotment.
Redemption Date(s)	January 16, 2028. The redemption schedule is set out in Annexure IV (*Illustration of Bond Cashflows*) of this Key Information Document.
Redemption Amount	INR 10,000/- (Indian Rupees Ten Thousand) per Debenture. The redemption schedule is set out in Annexure IV (*Illustration of Bond Cashflows*) of this Key Information Document.
Redemption Premium/Discount	Not applicable.
Issue Price	INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
Discount at which security is issued and the effective yield as result of such discount	Not applicable.
Put Date	Not applicable.
Put Price	Not applicable.
Call Date	Not applicable.
Call Price	Not applicable.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not applicable.
Call Notification Time (Timelines by which the Issuer	Not applicable.

need to intimate investor before exercising the call)	
Face Value	INR 10,000/- (Indian Rupees Ten Thousand) per Debenture.
Minimum subscription amount and in multiples thereafter	1,000 (one thousand) Debentures of aggregate nominal value INR 1,00,00,000 (Indian Rupees One Crore) and in multiples of 1 (one) Debenture thereafter.
Issue Timing	
1. Issue Opening Date	January 14, 2026
2. Issue Closing Date	January 14, 2026
3. Date of earliest closing of the issue, if any.	Not applicable.
4. Pay-in Date	January 16, 2026
5. Deemed Date of Allotment	January 16, 2026
Settlement Mode of the Instrument	Please refer Section 7 (*Other Information and Application Process*) of the Key Information Document.
Depository	NSDL and CDSL.
Disclosure of Interest/ Dividend/ redemption dates	The illustrative interest payment and redemption schedule is set out in Annexure IV (*Illustration of Bond Cashflows*) of the Key Information Document.
Record Date	means the date falling 15 (fifteen) calendar days prior to each Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	**Representations and Warranties** Please refer Section 6.2.1 of this Key Information Document. **Financial Covenants** Please refer Section 6.2.2 of this Key Information Document. **Reporting Covenants** Please refer Section 6.2.3 of this Key Information Document. **Affirmative Covenants** Please refer Section 6.2.4 of this Key Information Document. **Negative Covenants** Please refer Section 6.2.6 of this Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document.	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("**Hypothecated Assets**") created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Assets shall at all times shall be at least 1.10 times the value of the Outstanding Principal Amounts. The issuer undertakes: 1. To maintain the total charge over the Hypothecated Assets that shall constitute 1.10 times (One decimal one zero) or 110% (One hundred and ten percent) of the aggregate Outstanding Principal Amounts, payable to the Debenture Holders, to be created as per terms of the Debenture Trust Deed/ Hypothecation Agreement and other Transaction Documents. The abovementioned Security Cover shall be maintained at all times during the Tenor of the Debentures and until all such dues/claims/outstanding is paid to the Debenture Holders to the satisfaction of the Debenture Trustee; 2. To create, register the security over the Hypothecated Assets as contemplated above no later than 30 (thirty) calendar days after executing a duly stamped deed of hypothecation ("**Hypothecation Agreement**") and filing CHG-9 within the time period applicable and the Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with

	the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets; 3. To pay a penal interest of 2.0% p.a. (Two Percent per annum) over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets till the time the creation, registration and perfection is completed; 4. the Issuer shall procure an acknowledgement from the Credit Bureau that the Debenture Trustee (by itself or through its nominee) is authorised, at the cost of Debenture Trustee, to conduct "credit bureau scrubs" on the Hypothecated Assets from time to time; 5. To provide the management certified list of book debts on a monthly basis (i.e. within 15 calendar days from end of each month), 6. To provide a CA/Statutory Auditor certified list of book debts hypothecated on a quarterly basis (i.e. with 30 (thirty) calendar days from the end of each quarter) of specific loan receivables/identified book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("**Quarterly Hypothecated Asset Report**"); 7. To add fresh loan assets, as and when required, to meet the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 times (One decimal one zero) or 110% (One hundred and ten percent) of the aggregate Outstanding Principal Amounts / Coupon / dues outstanding of the Debentures where at least 1.10 times (One decimal one ten) or 110% (One hundred and ten percent) of the security cover is from principal receivables; 8. Security Cover shall be met only with assets that does not have any principal, interest, additional interest, fee or any other expected payments overdue for more than 0 (zero) days ("**Performing Loans**") such that the Loans constituting the Hypothecated Receivables with any overdue up to 0 (zero) days. If the Security Cover is not met, then the Issuer shall no later than 7 (seven) Business Days add Performing Loans to the Hypothecated Property by way of hypothecation on a first and exclusive charge basis such that the Security Cover is met to the satisfaction of the Debenture Trustee upon which Security Interest over the loans then constituting the Hypothecated Property that no longer qualify as Performing Loans shall stand released; 9. Loans from related parties shall not be included in Hypothecated Assets. Only Loans entirely on the balance sheet of the Company shall be included in the Hypothecated Assets. 10. Debenture Trustee on behalf of Debenture Holders shall have the right to verify the book debts hypothecated to Debenture Holders in the MIS of Issuer as and when required. The security cover monitoring to be done on a monthly basis; Company to provide signed certificate from management certifying security cover maintenance on a monthly basis (i.e. 15(fifteen) calendar days from the end of each month); and 11. The charge for the security with ROC shall be modified within 35 (thirty five) calendar days from end of calendar quarter wherein charge over the replaced security shall be created and security which does not meet the Eligibility Criteria shall be removed.
Transaction Documents	means: (a) the Debenture Trust Deed; (b) the Debenture Trustee Agreement;

	(c)	the Deed of Hypothecation;
	(d)	the Personal Guarantees;
	(e)	the Disclosure Documents; and
	(f)	any other document that may be designated as a transaction document by the Debenture Trustee,
	and "**Transaction Document**" means any of them.	
Conditions precedent to Disbursement	(a)	A certified true copy of the Constitutional Documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee;
	(b)	All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed;
	(c)	Execution, delivery and stamping of Transaction Documents shall have taken place;
	(d)	Rating of the Debentures being completed and the rating agency having provided a rating of 'CRISIL BBB' for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee;
	(e)	Due execution of the Depository Agreements by, inter-alia, the Depository and the Company;
	(f)	Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company;
	(g)	The Company shall have received consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;
	(h)	The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the NSE in respect of the listing of the Debentures.
	(i)	The Company shall have obtained due-diligence certificate in 'Annexure IIA' of the Master Circular for Debenture Trustees from the Debenture Trustee;
	(j)	Security creation in accordance with Chapter III (Security and Covenant Monitoring System) of the Master Circular for Debenture Trustees;
	(k)	The Company shall have obtained due-diligence certificate from the Merchant Banker;
	(l)	The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;
	(m)	The Issuer and Guarantor shall provide all such other information, documents, certification by Issuer's or Guarantor's authorized representatives, opinions and instruments as the Debenture Holder(s) may reasonably request;
	(n)	The Issuer shall procure and furnish the Debenture Trustee with undertaking(s) issued by the Key Shareholders;
	(o)	'A certificate from the Director/CFO confirming that there is no Event of Default as on the date of the issuance of Debentures;
	(p)	Submit to the Debenture Trustee, the audited financial statements along with independent auditor's report of the Company for the Financial Year.
Conditions Subsequent to Disbursement	Company shall fulfil each of the following conditions within the stipulated timelines:	
	(a)	the record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment;
	(b)	the details of the depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) Business Days from the closure of the Issue;
	(c)	the return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant Registrar of Companies within 2 (two) Business Days of the Deemed Date of Allotment of the

	Debentures; (d) evidence that the Security shall have been perfected in a form and manner acceptable to the Debenture Trustee and that the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant Registrar of Companies within 30 (thirty) days of the Deemed Date of Allotment of the Debentures; (e) Ensure that Debenture Trustee files Form I with the Central Registry in respect thereof within 30 (thirty) calendar days from date of execution of the Hypothecation Agreement or within such other extended time as permissible under the applicable law; (f) Ensure compliance with RBI digital lending guidelines (as applicable from time to time) on a continuing basis till the NCDs maturity; (g) If not already amended, the Company shall amend that the Articles of Association of the Company to give the right to the Debenture Holder or Debenture Trustee to appoint a Nominee Director or observer on the board in accordance with the terms of this Key Information Document/ the Debenture Trust Deed within 20 (twenty) days from the Deemed Date of Allotment, failure to comply shall result in the imposition of a penalty at a rate of 3% per annum above the applicable Coupon Rate on the Outstanding Principal Amounts, unless an extension is mutually agreed upon due to delays attributable to the Registrar of Companies (ROC); (h) Issuer shall furnish certificate from statutory auditor within 70 (seventy) days from the Deemed Date of Allotment, confirming that the amount disbursed has been utilized by the Issuer solely for the Purpose as mentioned herein.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer Section 6.2.6 (*Event of Default*) of the Key Information Document.
Creation of recovery expense fund	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV (*Recovery Expenses Fund*) of the Master Circular for Debenture Trustees, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (*Recovery Expenses Fund*) of the Master Circular for Debenture Trustees.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer sub-sections named "*Default Interest Rate*" above and Section 6.2.6 of the Key Information Document.
Provisions related to Cross Default	Please refer Section 6.2.6 (*Event of Default*) of the Key Information Document.
Roles and Responsibilities of the Debenture Trustee	In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in this Key Information Document/ the Debenture Trust Deed or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows: (a) the Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise; (b) the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee; (c) the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance with a Majority Resolution; (d) subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the

		Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of any fraud, gross negligence, willful misconduct or breach of trust shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof;
	(e)	with a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;
	(f)	the Debenture Trustee shall not be responsible for the monies paid by Applicants/ Initial Debenture Holders for the Debentures;
	(g)	without prejudice to the rights to indemnity by Law given to the Debenture Trustee, the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted and the Debenture Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Debenture Trustee as herein provided or otherwise howsoever arising out of or in connection with these presents or the issue of the Debentures;
	(h)	the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;
	(i)	subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall not be liable for anything whatsoever except any fraud, gross negligence, willful misconduct or breach of trust by the Debenture Trustee;
	(j)	subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders;
	(k)	notwithstanding any contained to the contrary in this Key Information Document/ the Debenture Trust Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;
	(l)	the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to this Key Information Document/ the Debenture Trust Deed within 2 (two) Business Days of receiving the same from the Company; and
	(m)	The Debenture Trustee shall take all reasonable steps to realise the monies due to the Trust.

	(n) The Debenture Trustee shall have the right to rely on notices, communications, advertisement, website information of Issuer and any other related party with respect to issue etc. PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.
Risk factors pertaining to the issue	Please refer Section 3 of the Key Information Document.
Governing Law & Jurisdiction	(a) The Debentures and the other transaction documents are governed by construed in accordance with the laws of India. (b) The Debenture Trustee and the Issuer agree that the courts and tribunals at Chennai, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with the transaction documents ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred (c) to as "**Proceedings**") arising out of or in connection with the transaction documents may be brought in the courts and tribunals of Chennai, India and the Issuer irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals. (d) The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Chennai, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Issuer further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Chennai, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law. (e) Nothing contained in this sub-section named "*Governing Law & Jurisdiction*", shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Issuer irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Issuer irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum. (f) To the extent that the Issuer may in any jurisdiction claim for itself or its Assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its Assets such immunity (whether or not claimed), the Issuer hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.
Early Redemption	Early redemption shall not be allowed within 6 (Six) months from Deemed Date of Allotment ("**Lock-in Period**") or subject to Applicable Law by Debenture Holders or Issuer. In case of early redemption of the Debentures at the instance of the Issuer after the Lock-in Period, on any date other than the Final Redemption Date and not arising due to an Event of Default, the Issuer shall pay an Early Redemption Premium. Early Redemption Premium will have to be paid over and above the Coupon Rate. Early Redemption shall be subject to the consent

	of the Majority Debenture Holders. The Issuer shall give the Debenture Trustee and the Debenture Holders a written notice at least 45 (Forty Five) days prior to the date of early redemption where consent of Debenture Holders shall be sought.
Accelerated Redemption Event	Shall mean: i. any Force Majeure event; ii. if such redemption becomes necessary due to a change in applicable law resulting in any of the Transaction Documents or the transaction structure contemplated hereunder becoming unlawful, void, or unenforceable; iii. any rating downgrade where the rating falls to 'BBB-'and below; and iv. Any regulatory action or action by the Securities and Exchange Board of India (SEBI) against the Promoter, the Promoter's Hindu Undivided Family (HUF), or any entity related to the Promoter, which has or is likely to have a material adverse effect on the Issuer.
Accelerated Redemption	On happening of Accelerated Redemption Event, the Debenture Holders shall have the right, but not an obligation, to require the Issuer to redeem the Debentures within a period of 30 (thirty) of such event. There will be no prepayment penalty applicable in case of exercise of Accelerated Redemption.
Regulatory Action having Material Adverse Effect on the Company	Subject to applicable Law, the Debenture Holder shall have the right to redeem the Debentures, upon the occurrence of any regulatory action or action by the Securities and Exchange Board of India (SEBI) against the Promoter, the Promoter's Hindu Undivided Family (HUF), or any entity related to the Promoter, which has or is likely to have a Material Adverse Effect on the Issuer.
Buy Back	Issuer can buy back Debentures subject to applicable Law.
Cure Period	Cure Period for Affirmative Covenants shall mean 30 (Thirty) days from the date of such breach. Cure Period for Financial Covenants shall mean 30 (Thirty) days from the date of such breach.
Sale Of Portfolio	In case of an Event of default, the Debenture Holder shall have the option to buy the Hypothecated Assets or cause the Hypothecated Assets to be securitized (in whole or in part) and sold to a Special Purpose Vehicle ("**SPV**") at a future date at a purchase price mutually agreed upon by the Issuer and the Debenture Holder based on prevailing market rates ("**Purchase Price**"). Any difference between the amounts due under the Debentures and the Purchase Price shall be repaid forthwith by the Issuer to the Debenture Holder, at the option of the Debenture Holder. The portion of the Hypothecated Assets that is securitised shall be selected by the Debenture Holder based on the Debenture Holder's due diligence and agreed eligibility criteria. The Issuer shall not, under any circumstance, transfer, sell, assign or create any encumbrances over or assign the Hypothecated Assets in favour of any third party without the prior written consent of the Debenture Holder. Without prejudice to the foregoing, any sale, transfer or assignment of the Hypothecated Assets by the Issuer by way of an assignment or securitisation transaction or otherwise shall be subject to the right of first refusal of the Debenture Holders.
Rating Downgrade Security	If any time during the Tenor of the Debentures, the Rating of the instrument is downgraded to below BBB (Stable), then the Company shall provide 5% (five percent) cash margin / fixed deposit on the amount outstanding under this Debenture to the Debenture Trustee at the time of rating downgrade for each such instance of rating downgrade. A letter issued by the bank with which such cash margin / fixed deposits are placed shall be submitted by the Company to the Debenture Trustee within the said time period. In the event the fixed deposit is provided pursuant to such rating downgrade, a modification of CHG-9 shall be filed within 30 (thirty) days of such security interest creation.
Security on Regulatory Action having Material Adverse Effect on the Company	If any time during the Tenor of the Debentures, there is an occurrence of any regulatory action or action by the Securities and Exchange Board of India (SEBI) against the Promoter, the Promoter's Hindu Undivided Family (HUF), or any entity related to the Promoter, which has or is likely to have a Material Adverse Effect on the Company, then the Debenture Holder

	shall have the right, but not the obligation, to redeem the Debentures or require the Company to provide a fixed deposit in the event of such regulatory action. A letter issued by the bank with which such cash margin / fixed deposits are placed shall be submitted by the Company to the Debenture Trustee within the said time period. In the event the fixed deposit is provided pursuant to such regulatory action, a modification of CHG-9 shall be filed within 30 (thirty) days of such security interest creation.

Note:

i. *If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.*

ii. *The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.*

iii. *While the debt securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.*

iv. *The issuer shall provide granular disclosures in their Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

v. *Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.*

vi. *Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ General Information Document/ Key Information Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture Trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in SEBI NCS Listing Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.*

vii. *The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be. The issue of the Debentures is a further issuance under an existing ISIN, under which other non-convertible debentures have been issued. Any default under any other non-convertible debentures issued under the aforementioned ISIN may result in any stock exchange or depository classifying the Debentures as being in default.*

6.2 TERMS OF THE TRANSACTION DOCUMENTS

6.2.1. Representations and Warranties of the Issuer

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of this Key Information Document/ the Debenture Trust Deed and during the term of the Debentures.

(a) ***Status***

(i) It is a company, duly incorporated, registered and validly existing under the Laws of India.

(ii) It is registered as a non-banking financial company with the RBI.

(iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) ***Binding obligations***

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) ***Non-conflict with other obligations***

The entry into and performance by it of, the transactions contemplated by the Transaction Documents do not and will not conflict:

i. any Law or regulation applicable to it;

ii. its Constitutional Documents; and

iii. any agreement or instrument binding upon it or any of its Assets.

(d) ***Power and authority***

It has the power to issue the Debentures and to enter into, perform and deliver, and has taken all necessary authorisations its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) ***Validity and admissibility in evidence***

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) ***No default***

No Event of Default or Potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) ***Pari passu inter se ranking***

The Debentures shall constitute direct and unconditional and secured obligations of the Company. The claims of the Debenture Holders shall be superior to all the claims of equity investors/ lenders of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank *pari passu* inter se.

(h) ***No proceedings pending***

Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) ***No misleading information***

A. All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

B. It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants/ Initial Debenture Holders to apply for subscription of the Debentures.

(j) ***No Material Adverse Effect***

i. There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

ii. Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements or Client Protection Laws) which has resulted in or could reasonably be expected to have a Material Adverse Effect.

(k) ***Financial statements***

(i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.

(iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).

(l) ***Solvency***

(i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into this Key Information Document/ the Debenture Trust Deed or any other Transaction Document.

(ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.

(iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time.

(vi) No reference has been made, or enquiry or proceedings commenced, in respect of the Company, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DOR.STR.REC.276/21.04.048/2025-26 dated November 28, 2025 on "Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025", as amended, modified or restated from time to time.

(m) ***No immunity***

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(n) ***Legal and Beneficial Ownership***

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website http://www.mca.gov.in/MCA21/index.html under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(o) ***Compliance with Laws***

i. The Company and its Group Entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements and Client Protection Laws.

ii. With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

iii. The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the NSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(p) ***Anti-terrorism Laws***

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(q) ***No Corrupt Practices***

i. Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

ii. Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.

(r) ***Taxation***

i. The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

ii. The Company is not overdue in the filing of any Tax returns.

iii. No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(s) ***Disclosures in Disclosure Document(s)***

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(t) ***Audit***

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(u) ***Good Business Standard***

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(v) ***Proper book-keeping and accounting***

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(w) ***Employees***

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(x) ***Compliance with RBI/SEBI Regulations and the Act's Requirements***

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

6.2.2. **Financial Covenants**

The Company and Guarantors shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

- Maximum permissible ratio of Par > 90 net off Loan Loss Provisions (on the Issuer's entire portfolio including receivables sold or discounted on a non-recourse basis) to Tangible Networth shall be 4.00% (Four Point Zero Zero percent).

- Maximum permissible ratio of sum of the Par > 90 and write-offs (on the Issuer's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio shall be 3.00% (Three Point Zero Zero percent), writeoffs would be calculated for trailing twelve months.

- Minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items shall not be less than 20.00% (Twenty Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Prudential Norms on Capital Adequacy Master Directions, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

- Minimum permissible ratio of Tangible Networth to Gross Loan Portfolio shall be 20.00% (Twenty Point Zero Zero percent).

- Maximum permissible ratio of Total Debt to Tangible Networth shall be 3.00x (Three Point Zero Zero times).

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

Portfolio at Risk greater than 90 days or PAR > 90 shall mean, in a district or a branch or on the Issuer's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Issuer's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 days or more and includes restructured loans.

Tangible Networth means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

Gross Loan Portfolio means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the issuer's own book.

Total Debt shall mean the sum of Debt Securities, Borrowings, Subordinate Debt.

Tier I Capital shall have the meaning given to it in the NBFC Prudential Norms on Capital Adequacy Master Directions.

Tier II Capital shall have the meaning given to it in the NBFC Prudential Norms on Capital Adequacy Master Directions.

Loan Loss Provisions means the outstanding provision in the balance sheet of the Issuer pertaining to on book and securitised book assets to provide for potential losses.

The Debenture Trustee/ Debenture Holders shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

The Covenants and Financial Covenants can be tested at any time during the tenure of this Debenture. Without prejudice to its other rights under the Transaction Documents, Debenture Trustee reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Facility on the Issuer in the event of breach of any of the Financial Covenants ("**Penalty for Breach**"). In such an event, the Issuer shall pay the Penalty for Breach to the Debenture Trustee within 30 calendar days from the date of such breach.

6.2.3. **Reporting Covenants**

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items. Issuer shall be required to pay a penalty of INR 6,000/- (Indian Rupees Six Thousand) for each day of delay in the event of non-adherence to the below reporting undertaking on a timely basis.

(a) Quarterly Reports

As soon as available and in any event within 45 (Forty-Five) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

a. Unaudited Financial Statements with notes to accounts;

b. the shareholding structure and composition of the board of directors in the Company;

c. if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);

d. Certificate from statutory auditor within 30 (thirty) calendar days of end of each quarter confirming compliance with the Security Cover as per the applicable regulations;

e. a compliance certificate regarding the financial covenants set forth in **Section 6.2.2** (*Financial Covenants*) from statutory auditor in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;

f. List of Lenders and Loan / NCD profile/ Sanction letters;

g. The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(a) Updated list of the names and addresses of the Debenture Holders.
(b) Details of the Interest due, but unpaid and reasons thereof.
(c) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
(d) A statement that the Hypothecated Assets certified by statutory auditor is sufficient to discharge the claims of the Debenture Holders as and when they become due
(e) information on:

a) New products introduced, or change in existing product features;

b) New business correspondent relationships or discontinuance of existing relationships;

c) Geographical expansion to any new state;

d) Material changes to the IT / MIS systems ;

e) Operational and HR Information, monthly disbursement, trailing twelve months write-offs/service deficiency paid and bank statements;

f) Portfolio cuts including number of loans & PAR data in the agreed format;

g) All data required for covenant testing including restructured POS, TTM Write-off, service deficiency, loan loss provision, liquidity, borrowing profile sheet, CRAR, contingent liabilities, RPTs;

h) Information on financials, operations, portfolio growth & asset quality (static pool / vintage curve and portfolio cuts, collection efficiency and PAR), ALM, funding in formats agreeable to the Debenture Holders;

i) Latest ALM details;

j) Change in credit bureaus used;

k) Transactions with related party and balances outstanding in the format specified by Debenture Holders;

l) any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio;

m) list of top 25 customers having the highest loan exposure in the format prescribed by Debenture Holders;

n) Revision in the Business Plan; and

o) Changes in the Accounting Policy

h. Any other financial / operational data as may be required by the Debenture Holders.

(b) Annual Reports

As soon as available, and in any event within 120 (One Hundred and Twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

i. certified copies of Issuer audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof; and

ii. Corporate Social Responsibility Report (if applicable).

(c) Event Based Reports

The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 7 (seven) Business Days from the occurrence of such event:

a) Change in Board of Directors;

b) Change in shareholding structure of more than 10% (ten percent);

c) Any fraud amounting to more than 2% of Gross Loan Portfolio of the Company;

d) change in senior management officials (any CXO or equivalent);

e) change in Statutory Auditors;

f) Any prepayment or notice of any prepayment of any Indebtedness of the Company on account of any Event of Default;

g) the Company alters its Constitutional Documents; and

The following shall be reported within 3 (three) Business Day from the occurrence of such event

a) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company.

b) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

c) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding for an amount excess of INR 10 (ten) Crore affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;

d) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or Potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same

(d) Disclosures under listing regulations

The Company disclose all such information to the Debenture Trustee under applicable laws and shall file with the NSE all such information as required under Chapter V of the SEBI LODR Regulations, Listed NCDs Master Circular, Debenture Trustees Regulations, and SEBI NCS Listing Regulations.

The Company disclose to the Debenture Trustee periodical status/performance reports from the Company within 7 (seven) days of the relevant board meeting of the Company or within 45 (forty five) days of the respective quarter, whichever is earlier.

(e) Miscellaneous

i. Issuer shall furnish certificate from an independent chartered accountant/statutory auditor within 70 (seventy) days from the end of Deemed Date of Allotment, confirming that the amount disbursed has been utilized by the Issuer solely for the Purpose as mentioned herein.

ii. The Company shall provide periodic consent on SCRUB analysis of Loans assigned to Debenture Holders.

6.2.4. **Affirmative Covenants**

The Company shall ensure to comply with the following covenants until the Final Settlement Date. Except for *Clause (f) Preserve corporate status; authorisations, (g) Pay stamp duty, (i) Grievance, (k) Comply with Investor Education and Protection Fund requirements, (n) Filings, (q) Books of Account, (t) Corporate Governance* where cure period of 30 (thirty) calender days shall be provided, there shall be no cure period for breach of other affirmative covenants under this schedule.

(a) ***Utilization of the issue proceeds***

The Issuer shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in this Key Information Document/ the Debenture Trust Deed.

(b) ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

(c) ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any Force Majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties.

(d) ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs.

(e) ***Payment of Rents, etc.***

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this Key Information Document/ the Debenture Trust Deed.

(f) ***Preserve corporate status; authorisations***

Company shall

(i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(g) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(h) ***Furnish information to Debenture Trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation.

(i) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(j) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

(i) notice of any Event of Default or Potential Event of Default, each as listed in **Section 6.2.6** (*Events of Default*);

(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the Stock Exchange (if the Debentures are listed);

(iii) details of any material litigation, arbitration or administrative proceedings, etc.;

(iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the NSE; and

(v) the declaration or distribution of dividend.

(k) ***Comply with Investor Education and Protection Fund requirements***

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it.

(l) ***Further assurances***

Company shall

(i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;

(iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Key Information Document/ the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Key Information Document/ the Debenture Trust Deed;

(iv) comply with:

(A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited to, LODR Regulations, SEBI NCS Listing Regulation and (iv) the provisions of the listing agreement to be entered into by the Company with the NSE in relation to the Debentures;

(B) the Debenture Trustee Regulations, as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(C) the provisions of the Act in relation to the issue of the Debentures;

(D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and

(E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(F) The Issuer hereby undertakes that the Hypothecated Assets are free from all encumbrances and are not subject to any lien or charge.

(G) Comply with any monitoring and/or servicing requests from Debenture Trustee; and

(H) The Issuer shall ensure compliance with RBI digital lending guidelines (as applicable from time to time) on a continuing basis till the Debentures maturity.

(m) ***Security***

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company

specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security without the consent of the Debenture Trustee and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times.

(iv) The Issuer shall within 30 (Thirty) days from the date of execution of the Hypothecation Agreement perfect the charge on Hypothecated Assets by way of filing of form CHG-9 (or such other eforms as may be applicable under the Act and Rules thereunder) with the jurisdictional registrar of companies and provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in relation to the security interest over the Hypothecated Assets.

(v) from the Deemed Date of Allotment until the redemption of the Debentures the Issuer shall ensure first ranking and exclusive charge of the Debenture Trustee. In the event of any modification of security as a result of Top-Up/ providing additional security / any such change relating to the Hypothecated Assets/ in the event of Receivables do not meet the Eligibility Criteria the Issuer shall apply for modification of charge/Debenture Holders or Debenture Trustee shall instruct the Company to apply for modification over such modified Hypothecated Assets by filing Form CHG-9 on a quarterly basis with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

(vi) shall, on the First Security Cover Determination Date and every Monthly Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(vii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;

(viii) the Hypothecated Assets shall satisfy the eligibility criteria set out in Section 6 (*Eligibility Criteria)* of this Key Information Document;

(ix) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and

(x) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under this Key Information Document/ the Debenture Trust Deed.

(n) ***Filings***

If the Debentures are listed, the Company shall file with the NSE such information as required under Chapter V of the LODR Regulations.

The Issuer shall comply with any regulatory filings in case of a foreign investor within timelines as per applicable Laws.

(o) ***Amounts to be reimbursed to the Debenture Trustee***

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.

(p) ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:

(i) refund the Application Money to the Debenture Holders; or

(ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(q) ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee basis consent of Majority Debenture Holders and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(r) ***Material Adverse Effect***

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof.

(s) ***Insurance***

Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with.

(t) ***Corporate Governance***

i. the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Registration for Scale Based Regulation Master Directions;

ii. shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1 (one) independent director; and

iii. the Company shall at all times comply with the NBFC Registration for Scale Based Regulation Master Directions and Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 dated November 28, 2025 and any amendments from time to time.

(u) ***General***

i. the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;

ii. the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

iii. the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

iv. the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time;

v. the Company shall utilise the proceeds of this Issue in accordance with applicable Laws and regulations;

vi. the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and

vii. the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(v) ***Access***

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

i. check the management of the funds made available through subscription to the Debentures;

ii. inspect and take copies and extracts from the books, accounts and records of the Company;

iii. data / information / meetings with the management team for periodical portfolio monitoring;

iv. visit and inspect the premises of the Company; and

v. meet and discuss matters with senior management employees of the Company.

Provided that the Company is served with a prior notice of 15 (fifteen) days before any such access to the Debenture Trustee (and the Debenture holders) or its representatives.

(w) ***Conditions Subsequent***

Company shall comply with the conditions stipulated in **Section 6** (*Conditions Subsequent*) of this Key Information Document.

(x) ***Financial Covenants***

Company shall comply with the financial covenants stipulated in **Section 6.2.2** (*Financial Covenants*).

(y) ***Issue Terms and Conditions***

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(z) ***Internal Controls***

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(aa) ***Information to Debenture Trustee***

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as may be required by SEBI from time to time.

6.2.5. **Negative Covenants**

The Negative Covenants can be tested on quarterly basis during the Tenor of the Debentures. The Issuer shall not without the prior written permission of the Debenture Trustee acting on the instruction of Majority Debenture Holders undertake to do any of the following.

(a) ***Change of business***

Change the general nature of its business of the Company from that which is permitted by the RBI.

(b) ***Change in Constitutional Documents***

The Issuer shall not without the prior written intimation of the Debenture Trustee/ Majority Debenture Holders effect any change in its Memorandum or Articles of Association.

(c) ***Restriction* on Dilution of Stake by Key Shareholders**

Each of the persons mentioned below (collectively "**Key Shareholders**") shall not sell, transfer encumber or more than 2% of the shares of the Company held by them respectively without the prior written consent of the Debenture Trustee/Majority Debenture Holders. The Company shall procure and furnish the Debenture Trustee/Majority Debenture Holders with undertaking(s) issued by the Key Shareholders to that effect as a condition precedent for disbursement of this Debenture or any part thereof. Any stake dilution by Key Shareholders up to the limit in both cases, IPO and non-IPO, respectively, as mentioned in the table below, shall not require prior written consent of the Debenture Trustee/Majority Debenture Holders.

Name	Investment Type	Existing % stake	Consolidated Minimum stake required in case of No IPO	Consolidated Minimum stake required in case of IPO
GOPAL BANSAL	Ordinary Equity	8.72	70%	51%
INDIA FINSEC LIMITED	Ordinary Equity	71.01		
GOPAL BANSAL (HUF)	Ordinary Equity	2.37		
SUNITA BANSAL	Ordinary Equity	8.19		

(d) ***Obligations on India Finsec Limited***

i. India Finsec Limited shall not without the prior written consent of the Debenture Trustee/ Majority Debenture Holders enter into or perform any transaction other than in its ordinary course of business.

ii. India Finsec Limited shall not without the prior written intimation of the Debenture Trustee/ Majority Debenture Holders effect any change in its Memorandum or Articles of Association (other than the change in authorised share capital).

iii. India Finsec Limited shall not, without the prior written intimation of the Debenture Trustee/ Majority Debenture Holders, redeem, purchase, buyback, defease, retire, return or repay any of its equity share capital or resolve to do so.

iv. India Finsec Limited shall not make any material change in its management, change in Control (as defined under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011), enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure without the prior written consent of the Debenture Trustee/ Majority Debenture Holders.

v. During the Tenor of this Debentures, the India Finsec Limited will not provide any guarantee other than PSU banks, without prior written consent by the Debenture Trustee/ Majority Debenture Holders.

vi. India Finsec Limited agrees to declare dividends only out of the profits relating to that year and after making all due and necessary provisions and provided further that there have been no defaults in repayments by the Issuer under this Debenture.

vii. India Finsec Limited shall provide audited financial statements within 120 days from the end of each year.

viii. Promoter and promoter family should be the major shareholder in India Finsec. Limited.

ix. Gopal Bansal should have the management control in India Finsec Limited till Tenor of the Debentures.

(e) ***Dividend***

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

(i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);

(ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(iii) the Company is in compliance with the financial covenants set forth in **Section 6.2.2** (*Financial Covenants*); and

(iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(f) ***Arrangement/ consolidation, etc.***

Undertake or permit any demerger, consolidation, restructuring, re-organisation, scheme of arrangemen, slump sale, t or compromise or effect any scheme of amalgamation or reconstruction with its creditors or shareholders provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Company defaulting in relation to any of its payment obligations in relation to the Debentures.

(g) ***Associates, Subsidiaries, and Joint Ventures***

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures without the prior written consent of the Majority Debenture Holders.

(h) ***Merger/ Acquisition***

Undertake any merger, acquisition, restructuring, amalgamation, slump sale without the prior written consent of the Majority Debenture Holders.

(i) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(j) ***Loans and Guarantees***

The Company shall not:

i. Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital) other than in its ordinary course of business;

ii. undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).

(k) ***Arm's length basis; No profit-sharing arrangements***

The Company shall not, without the prior written consent of the Majority Debenture Holders:

i. enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;

ii. enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or

iii. enter into any management contract or similar arrangement whereby its business or operations are managed by any other person; or

iv. enter into or perform any transaction other than in its ordinary course of business.

(l) ***Immunity***

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(m) ***Liabilities***

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(n) ***Change of Control***

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in dilution of shareholding of the Promoter or key shareholders leading to change in Control of the Company. Any dilution of control over the Board composition, other than appointment of independent directors.

(o) ***Buy-back***

The Issuer will not redeem, purchase, buyback, defease, retire, return or repay any of its equity share capital or resolve to do so without the Majority Debenture Holders' prior written consent.

The Issuer shall not do buy back of equity shares, if an Event of Default has occurred and is subsisting.

(p) ***Disposal of Assets***

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Company, sell any business/ division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the Debenture Trustee, other than any securitization/ portfolio sale of assets undertaken by the Company in its ordinary course of business.

(q) ***Management Control***

Without the prior written intimation of the Debenture Trustee / Debenture holders, the Issuer shall not make any material change in its management (CXOs), and without the prior written Consent of the Debenture Trustee/ Debenture Holders, the Company shall not make any change in the management position of Gopal Bansal; cause or permit change in control (as defined under the under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011) of the Issuer; cause or permit acquisition of the ownership of or entitlement to more than 10% (ten percent) of shares or capital or profits of the Issuer by any natural person(s), who, whether acting alone or together, or through one or more juridical person; enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure.

(r) ***Material compromise or Settlement***

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders. Dispose of its assets or compromise with any of its creditors without the prior written consent of the Debenture Holders, except in the ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms.

(s) ***Anti-money laundering***

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(t) ***Related Party Transactions***

Without prior written intimation to the Debenture Trustee / Majority Debenture Holders, the Issuer shall not enter into or perform any transaction(s) with a related party other than ordinary course of business. Without

prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture trustee / Majority Debenture holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 5.00% (Five Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Debenture Trustee / Majority Debenture Holder shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).

(u) ***Financial Year***

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(v) ***Others***

Without prejudice to Clause (c) (*Change in Shareholding*) of this **Section 6.2.5** (*Negative Covenants*), the Company shall not permit sale/ transfer/ disposal of permit the Promoter(s) to exit from management activities in relation to the Company.

6.2.6. **Events of Default**

6.2.6.1. ***Consequences and Remedies of an Event of Default***

If one or more of the events specified in **Section 6.2.6** (*Events of Default*) occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders or by a Majority Resolution duly passed at the meeting of the Debenture Holders held hereto by a notice in writing to the Company initiate the following course of action:

(a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Key Information Document/ the Debenture Trust Deed and other Transaction Documents;

(b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;

(c) enforce any security created pursuant to the Hypothecation Agreement in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;

(d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(e) to appoint a Nominee Director as per the Debenture Trustee Regulations, on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company,

(f) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Majority Debenture Holder(s), including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall

be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s),from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws.

(g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the Designated Stock Exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in Chapter IV of the Master Circular for Debenture Trustees and the SEBI circular 'Modifications to Chapter IV of the Master Circular for Debenture Trustees dated August 13, 2025', as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred.

(h) enter into performance of any obligations under any inter-creditor agreement (pursuant to the RBI's circular no. DOR.STR.REC.276/21.04.048/2025-26 dated November 28, 2025 on "Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025", as amended, modified or restated from time to time) or any resolution plan shall be subject to the terms of Chapter X of the Master Circular for Debenture Trustee (including without limitation, the resolution plan being finalised within the time period prescribed in the Master Circular for Debenture Trustee;

(i) take all such other action expressly permitted under this Key Information Document/ the Debenture Trust Deed or in the other Transaction Documents including invocation of guarantee or permitted under the Law and Master Circular for Debenture Trustees; and

(j) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

6.2.6.2. ***Events of Default***

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to this Key Information Document/ the Debenture Trust Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 3 (Three) calendar days of its Due Date.

(b) ***Insolvency / Inability to Pay Debts / Distress***

i. The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

ii. The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

iii. Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company.

(c) ***Charge over Hypothecated Assets***

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Majority Debenture Holders.

(d) ***Business***

The Company without obtaining the prior consent of the Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

Any revocation of operating licenses of the Company issued by the Reserve Bank of India.

(e) ***Security in Jeopardy***

i. In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;

ii. If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

iii. If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

iv. the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(f) ***Fraud and Embezzlement***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer.

(g) ***Misrepresentation***

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(h) ***Material Adverse Change***

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect.

(i) ***Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator***

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;

(ii) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;

(iii) the appointment of a liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of all or any part of the undertaking of the Company or its Affiliate; or

(iv) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DOR.STR.REC.276/21.04.048/2025-26 dated November 28, 2025 on "Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025" (as amended or modified or restated from time to time));

(v) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate;

(vi) enforcement of any security over any Assets of the Company or its Affiliate; and

(vii) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Resolution of Debenture Holders.

(j) ***Cross Default***

The Company (i) defaults in any payment of any Financial Indebtedness, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(k) ***Creditors' Process***

i. All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

ii. The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.

iii. The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.

iv. The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.

v. Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(l) ***Judgments Defaults***

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate..

(m) ***Transaction Documents***

i. this Key Information Document/ the Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

ii. In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

(n) ***Unlawfulness***

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(o) ***Repudiation***

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(p) ***Information Covenants***

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Section 6.2.3** (*Reporting Covenants*).

(q) ***Government Intervention***

i. Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

ii. Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

iii. The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(r) ***Delisting***

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(s) ***Cessation***

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(t) ***Alteration in Constitutional Documents***

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(u) ***Non-compliance with judicial order***

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(v) ***Erosion of Net Worth***

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more of the Company's net worth as compared to previous Financial Year.

(w) ***Merger***

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(x) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(y) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party before prepayment to the debenture holders under this ISIN. No prepayment penalty will be charged for prepayment under this clause.

(z) ***Management Control and change in Control***

Change in management Control of Gopal Bansal or change in shareholding resulting in change in Control of the Issuer without prior written consent from the Debenture Trustee (acting on behalf of the Majority Debenture Holders).

(aa) ***Willful default***

Any Promoters or directors or key management personnel of the Company is/are declared as willful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Company funds or revenues,, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery or any other act having a similar effect being committed by the management or an officer of the Company.

(bb) ***Breach of Covenants***

i. Any breach of financial covenants stipulated in **Section 6.2.2** (*Financial Covenants*) within the expiry of Cure Period for Financial Covenants from the date of such breach;

ii. Any breach of reporting covenants mentioned in **Section 6.2.3** (*Reporting Covenants*) within the expiry of Cure Period for Reporting Covenants from the date of such breach;

iii. Any breach of affirmative covenants set out in the clause *(f) Preserve corporate status; authorisations, (g) Pay stamp duty, (i) Grievance, (k) Comply with Investor Education and Protection Fund requirements, (n) Filings, (q) Books of Account, (t) Corporate Governance* mentioned in **Section 6.2.4** (*Affirmative Covenants*), after the expiry of the cure period of 30 (thirty) calendar days as set out in the Transaction Documents.

iv. Any breach of negative covenants mentioned in **Section 6.2.5** (*Negative Covenants;*

v. A breach by the Company of any of its obligations and covenants provided in terms of this Key Information Document/ the Debenture Trust Deed or other Transaction Documents (other than (a) to (bb) above) and such breach is not remedied (if capable of remedy).

6.2.7. **Listing and Monitoring Requirements**

(a) **Monitoring**

(a) Monitoring

The Company will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Master Circular for Debenture Trustee, the Company undertakes and agrees to provide all relevant documents/ information, as applicable, to enable the Debenture Trustee to submit the following reports/ certifications to NSE in accordance with the Master Circular for Debenture Trustee:

(b) Recovery Expense Fund

(a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under the Master Circular for Debenture Trustee, establish, maintain and utilize the Recovery Expense Fund in such manner/ mode as is prescribed under the Master Circular for Debenture Trustee, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.

(b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

(c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.

(d) In the event of default, the Debenture Trustee may get reimbursed from the REF for all the related activities for enforcement/ legal proceedings including but not limited to obtaining various consents from debenture holders, voting process, holding of meetings of debenture holders, filing court applications, legal fees, expenses for asset recovery services, appointment of legal consultants in respect of enforcement/ legal proceedings in the event of default.

(e) In case the utilization of REF is for purposes explicitly specified under paragraph (d) above, prior approval from the Debenture Holders shall not be required. Debenture Trustee shall intimate debenture holders through mail and upload on its website regarding the reimbursement from REF. In case the utilization of REF is for purposes other than explicitly mentioned in paragraph (d) above, the Debenture Trustee shall obtain prior consent of the holders of the debt securities and shall inform the same to the Designated Stock Exchange.

(f) Debenture Trustee shall inform the Designated Stock Exchange to release the amount from the REF and submit an independent auditor's certificate regarding the expenses incurred to the Stock Exchange, which shall be verified by the Stock Exchange before release of the amount from the REF to the Debenture Trustee.

(g) The Designated Stock Exchange shall release the amount lying in the REF to the Debenture Trustee within five working days of receipt of such intimation.

(h) The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from REF.

(i) The Debenture Trustee shall on an annual basis update the debenture holders regarding the utilization of such funds.

(j) The balance in the Recovery Expense Fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the Designated Stock Exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.

(k) The Debenture Trustee shall supervise the implementation of the conditions, creation of Recovery Expense Fund as applicable.

(c) Requirements Under The LODR Regulations

The Company agrees, declares and covenants with the Debenture Trustee that it will comply with all relevant requirements prescribed under the LODR Regulations applicable to it (including without limitation, Chapter IV of the LODR Regulations (to the extent applicable) and Chapter V of the LODR Regulations (to the extent applicable)).

(d) Due Diligence

(a) The Company acknowledges, understands, and confirms that:

(i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Act, the LODR Regulations, the Debt Listing Regulations, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;

(ii) for the purposes of carrying out the due diligence as required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Company and to have the Company's Hypothecated Assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and

(iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in the Debenture Trust Deed/ this Key Information Document) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts in relation to the Hypothecated Assets and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.

(b) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the Transaction Security or the assets on which security interest/ charge is created, which shall *inter alia*, include:

(i) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 (forty-five) days of the respective quarter, whichever is earlier;

(ii) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;

(iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve if applicable and Recovery Expense Fund;

(iv) details with respect to the Hypothecated Assets of the Company and of the guarantors (to the extent applicable) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such Hypothecated Assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;

(v) reports on the utilization of funds raised by the issue of Debentures;

(vi) details with respect to redemption of the Debentures;

(vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the applicable Law;

(viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;

(ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;

(x) (to the extent applicable) certificate from the statutory auditors of the Company (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and

(xi) such other documents or information as may be required by the Debenture Trustee in accordance with the applicable Law.

(c) Without prejudice to any other provision of the Debenture Trust Deed/ this Key Information Document and the other Transaction Documents, the Company shall:

(i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

(ii) to the extent applicable, submit a certificate from the statutory auditor on a quarterly basis, regarding the maintenance of security cover in accordance with the terms of the Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Disclosure Documents and the other Transaction Documents within timelines as specified under SEBI Listed Debentures Circulars and Regulations, or such other circulars issued by SEBI from time to time;

(iii) comply with all requirements under the Master Circular for Debenture Trustee, and provide all documents/information as may be required in accordance with the Master Circular for Debenture Trustee.

(iv) The Company shall submit the all such reports/ certification to the Debenture Trustee pursuant to the circular bearing reference no. HO/17/11/12(3)2025-DDHS-POD1/ I/144/ 2025 dated November 25, 2025 within the following timelines as to enable the Debenture Trustee to submit the following reports/ certification to Stock Exchange within the timelines specified:

Reports/ Certificate	**Periodicity**
Security cover Certificate (in the format as specified in **Annex-VA** to DT Master Circular)	**Quarterly basis** within 60 days from end of each quarter except last quarter when submission is to be made within 75 days.
(to the extent applicable) A statement of value of pledged securities	
(to the extent applicable) A statement of value for Debt Service Reserve Account or any other form of security offered	
(to the extent applicable) Net worth certificate of guarantor in case debt securities are secured by way of personal guarantee)	**Half yearly basis** within 60 days from end of each half-year.
(to the extent applicable) Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	**Annual basis** within 60 days from end of each financial year.

(to the extent applicable) Valuation report and title search report for the immovable/ movable assets, as applicable.	**Once in three years** within 60 days from the end of the financial year.

(e) Others

(a) The Company shall, at all times until the secured obligations have been duly discharged, maintain a bank account no. 2021210227476372 with AU Small Finance Bank, Rohini Delhi (**"Account Bank"**) from which it proposes to pay the redemption amount. The Company agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.

(b) The Company further acknowledges, agrees, that the Debenture Trustee is authorised to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. Further, in case of change of Account bank, the Debenture Trustee shall accept such change only upon submission of the duly acknowledged and accepted pre-authorisation letter and duly accepted consent letter from the successor /new account bank.

(c) The Company covenants with the Debenture Trustee that it shall comply with all its obligations under the Debenture Trust Deed/ this Key Information Document and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of the Debenture Trust Deed/ this Key Information Document.

(d) The Company shall ensure due compliance and adherence to the Master Circular for Debenture Trustee in letter and spirit.

(e) To the extent applicable and required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under the Master Circular for Debenture Trustee.

(f) To the extent required/ applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/ clauses etc.).

(g) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

(h) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the Master Circular for Debenture Trustee in respect of the Debentures and the transactions contemplated in the Transaction Documents.

SECTION 7: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Key Information Document, Application Form and other terms and conditions as may be incorporated in the transaction documents.

7.1 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in ANNEXURE III: APPLICATION FORM in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the Applicant's bank, type of account and account number must be duly completed by the Applicant. This is required for the Applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. The Issuer will make the bidding announcement on the EBP Platform at least 1 (one) Business Day before initiating the bidding process in accordance with the EBP Requirements. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out herein below:

Details of size of the Issue including green shoe option, if any	Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only)
Anchor Portion Details	No
Interest rate parameter	Fixed Coupon
Bid opening and closing date	Bid opening date: January 14, 2026 Bid closing date: January 14, 2026
Minimum Bid lot	1000 (One Thousand) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Manner of bidding in the Issue/ Bid Type	Closed
Manner of allotment in the Issue	Uniform Yield Allotment
Manner of settlement in the Issue	Pay-in of funds through NSCCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the EBP into the account of the NSCCL, as specified in this regard below.
Settlement cycle & Deemed Date of Allotment	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on January 16, 2026.

Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the NSCCL, the details of which are as set out in the section named "INSTRUCTIONS" of the Application Form, on or before 10:30 hours on the pay-in date.

Name of Bank	As available in the NSE EBP Platform
IFSC Code	As available in the NSE EBP Platform
Account number	As available in the NSE EBP Platform
Name of beneficiary	As available in the NSE EBP Platform

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of NSCCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the NSCCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of NSCCL shall be released into the Issuer's bank account, the details of which are as set out below:

Name of the beneficiary	IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Name of the Bank	AU Small Finance Bank Limited
Branch Address:	Sector 7, Rohini
IFSC Code	AUBL0002102
Account Number	2502210296156931

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

Basis of Allocation or Allotment: Allocation shall be made as approved by the Company in accordance with applicable NCS Listing Regulations, Operations Guidelines, and applicable laws. Post completion of bidding process, the Company will upload the provisional allocation on the NSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Company will upload the final allocation file on the NSE EBP Platform.

Payment Mechanism: Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Company. Successful Eligible Investors should do the funds pay-in to the account

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the NSE EBP Platform while placing the bids. In case of mismatch in the bank account details between NSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any successful bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Company shall not be liable to issue the Debentures to such successful bidders.

Settlement Process: Upon final allocation by the Issuer, the Company or the Registrar and Transfer Agent on behalf of the Company shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor. The Company shall give the instruction to the Registrar and

Transfer Agent for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to effect the transfer of Debentures in the demat account(s) of the successful Eligible Investors post-allocation disclosures by the EBP. Upon final allocation by the Issuer, the Company shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the EBP Guidelines.

The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public. Deemed Date of Allotment Interest on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investor(s) from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to modify allotment date or Deemed Date of Allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed, the Deemed Date of Allotment may also be changed by the Company at its sole and absolute discretion.

Withdrawal of Issue: The Company may, at its discretion, withdraw the issue process on the conditions set out under the EBP Guidelines. Provided that the Company shall accept or withdraw the issue on the NSE EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid. If the Company has withdrawn the Issue, and the cutoff yield of the Issue is higher that the estimated cutoff yield disclosed to the NSE EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the NSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Company, prior to opening of issue on the NSE EBP Platform. The disclosure of estimated cut off yield by NSE EBP Platform to the Eligible Investors, pursuant to closure of the issue, shall be at the discretion of the Company.

Force Majeure: The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Right to Accept or Reject Applications: The Company reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected applicant will be intimated along with the refund warrant, if applicable. No interest on application money will be paid on rejected applications. The application form that is not complete in all respects is liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

A. Number of Debentures applied for is less than the minimum application size;
B. Application exceeding the issue size;
C. Bank account details not given;
D. Details for issue of Debentures in electronic or dematerialised form not given; PAN or GIR and IT Circle or Ward or District not given;
E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allotment:
Notwithstanding anything stated elsewhere, the Company reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first cum first serve basis. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Company by the Deemed date of allotment.

Deemed date of allotment for the issue is January 16, 2026, by which date Investors would be intimated of allotment.

7.2 **Details of Issuances in the previous financial year:**

Sr.No.	Issue Size (Inclusive of Green Shoe Option)	Base Issue + Green Shoe Option	Green Shoe Option actually exercised	Month of Issue
1.	INR 19.98 Crores	INR 19.98 Crores	NA	November, 2025

7.3 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely, however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

7.4 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

7.5 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed the Debenture Trustee to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

7.6 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

7.7 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

7.8 Modification of Debentures

Any transaction document may be modified or amended in accordance with the terms of the relevant transaction documents.

7.9 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

7.10 Notices

Any notice, in respect of the Debentures, may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the transaction documents.

7.11 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by NEFT/RTGS, to the bank account as per the details mentioned below.

7.12 Application Procedure

Potential Investors may be invited to subscribe by way of the Application Form prescribed in this Key Information Document during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons.

7.13 Fictitious Applications

All fictitious applications will be rejected.

7.14 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to potential investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

7.15 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 10,000 (Indian Rupees Ten Thousand) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date in the account of the Issuer mentioned under Section 7.9 of the Key Information Document.

7.16 Eligible Investors

Please refer Section 8.14 (*Eligible Investors*) of the General Information Document.

7.17 **Procedure for Applying for Dematerialised Facility**

(a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

7.18 **Depository Arrangements**

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

7.19 **List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

7.20 **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor(s) and the tax exemption certificate/document of the Investor(s), if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be

attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

7.21 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly Indicate the name of the concerned scheme for the application is being made and must be accompanied by certified true copies of:

(a) SEBI registration certificate
(b) Resolution authorizing investment and containing operating instructions
(c) Specimen signature of authorized signatories

7.22 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

(a) Memorandum and Articles of Association or other constitutional documents
(b) Resolution authorising investment
(c) Certified true copy of the Power of Attorney to custodian
(d) Specimen signatures of the authorised signatories
(e) SEBI registration certificate (for Mutual Funds)
(f) Copy of PAN card
(g) Application Form (including EFT/RTGS details)

7.23 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

7.24 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtain legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

7.25 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

7.26 Effect of Holidays

Please refer Section 6.1 (*Summary Terms*).

7.27 Allotment

The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

7.28 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investors from the Deemed Date of Allotment.

7.29 Record Date

Please refer Section 6.1 (*Summary Terms*) above.

7.30 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

7.31 Interest on Application Money

Please refer Section 6.1 (*Summary Terms*).

7.32 Pan Number

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

7.33 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

7.34 Governing law

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals at Chennai shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions.

Disclaimer: Please note that only those persons to whom this Key Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 8: DECLARATION

A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.

C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

D. The Issuer has complied with, and nothing in the Key Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

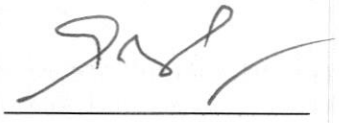
I am authorized by the board of directors of the Issuer *vide* resolution number 06 dated January 07, 2026 of the board of directors of the Issuer, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

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



Authorised Signatory

Name: Gopal Bansal

Designation: Managing Director

Date: January 14, 2026

Place: New Delhi, India

SECTION 9: UNDERTAKINGS AND ATTESTATION

9.1 UNDERTAKING BY THE ISSUER

(a) Investors are advised to read the risk factors (set out in Section 3) carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities/Debentures have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' given on page number 1 of the General Information Document under the section 'General Risks'.

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this issue document/Key Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the issue document/Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this issue document/Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

9.2 UNDERTAKING ON SECURITY

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures issued pursuant to this Key Information Document for the issuance of Debentures shall be free from any encumbrances. The Issuer further undertakes that any such charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

9.3 ATTESTATION BY AUTHORISED PERSON(S)

The person(s) authorised by the Issuer hereby attest as follows:

(a) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder.

(b) The compliance with the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.

(c) The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

(d) Whatever is stated in the General Information Document and this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of the General Information Document and this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

(e) General Risk:

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Key Information Document and Section 1 of the General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

(f) The contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

(g) The person(s) set out below are duly authorised to attest to the above by the board of directors or the governing body, as the case may be, by a resolution, a copy of which is also disclosed in this Key Information Document.

On behalf of the Issuer:

Name: Gopal Bansal
Designation: Managing Director

On behalf of the Issuer:

Name: Shivani Jindal
Designation: Company Secretary

SECTION 10: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Addressed to: _____

Serial No: 001/2026/KID

FORM NO PAS-4

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER
("PPOA")

[Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

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

Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) ("Debentures") on a private placement basis (the "Issue").

PART A

1. **GENERAL INFORMATION:**

(1) **Name, address, website, if any, and other contact details of the Company, indicating both registered office and corporate office:**

Issuer / Company:	IFL Finance Limited (Formerly known as IFL Housing Finance Limited) ("**IFL**" or "**Company**")
Registered Office:	D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi, India, 110085
Corporate Office:	D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi, India, 110085
Telephone No.:	011-47096097
Website:	www.iflfinanceltd.com
Fax:	N.A.
Contact Person:	Mr. Gopal Bansal
Email:	compliance@iflfinanecltd.com

(b) **Date of incorporation of the Company:**

17.09.2015

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

The description of the Company's principal business activities are as under:

IFL Finance Limited (formerly IFL Housing Finance Limited) is a trusted name in India's gold loan industry, known for delivering fast, secure, and transparent loan solutions. We specialize exclusively in instant gold loans designed to

address urgent financial needs—whether for medical expenses, education, business expansion, or personal requirements.

The Issuer commenced its operations in 2018 as a Housing Finance Company, initially offering housing loans and loan against property (LAP) products. In December 2020, the Issuer expanded its product portfolio to include gold loans. However, the Issuer shifted its focus to the Gold loan business in the year 2024-25, and is currently operating exclusively in this sector only. However, the earlier home loan portfolio still exists and is on a run down.

Details about the subsidiaries of the Company with the details of branches or units:

Business carried on by the subsidiaries:

As of the date of the Key Information Document/PPOA, the Company does not have any subsidiary.

Details of branches or units:

As of the date of the Key Information Document/PPOA, the Issuer has 85 branches:

Please also refer to Section 5.8(d) of the Key Information Document for the details of the branches of the Issuer.

(2) **Brief particulars of the management of the Company:**

Details of board of directors of the Company and their profile:

Details of Board of Directors		
Name	**Designation**	**Description / Profile**
Mr. Gopal Bansal	Managing Director	A Chartered Accountant that has created strides of excellence, Mr. Gopal Bansal is a name to reckon with. With the expertise of more than 21 years in multiple fields such as finance, portfolio management, taxation, treasury management, business takeovers, finance product designing, corporate law, mergers, asset recovery and asset restructuring, he is a maestro that plays a fundamental role in the functioning of IFL Finance Limited (Formerly known as IFL Housing Finance Limited). An experienced professional, Mr. Bansal strategies and directs the company towards the path of fulfilling its mission and goals. Under his guidance, IFL has managed to offer assistance to a plethora of individuals and works to increase the number in the years to come. Mr. Bansal has been a part of the M/s India Finsec Limited family for over a decade. He plays an imperative role as a Promoter and Director of the company. It's his profound knowledge and skills that have enabled M/s India Finsec Limited to function with Zero NPA and have accelerated the growth rate.
Mrs. Sunita Bansal	Whole-Time Director	With more than 20 years of experience in HR and Leadership Role, Mrs. Sunita Bansal holds the responsibility of managing all Human Resource related functions such as designing workplace policies, building the right culture, performance management, and designing strategies in accordance with the company's policies. An alumnus of the prestigious Indian Institute of Technology and Management, Mumbai with a focus on Business Management (HR), Mrs. Bansal has given IFL the perfect environment that has enabled the company to grow, evolve and become what it is today.

		She possesses exceptional knowledge, skills and experience and has been a part of reputed institutions such as Reliance, Hutch, ICICI Bank and Instant Credit. Her multi-tasking management skills allow her to manage several projects at once and deliver results as per expectations.
Mr. Ashish Bansal	Non-Executive Director	A Chartered Accountant by profession and a former Executive Director of Stellar Capital Services, Mr. Ashish Bansal has 13 elaborate years of experience in the diverse field of finance, law and project finance, taxation, accounts and underwriting. Furthermore, another feather to his cap involves more than 6 years of NBFC experience. Owing to his financial and managerial skills, he plays an important role in the strategic team and is responsible for ensuring that the company achieves its goals and obligations. He has contributed significantly to several decision-making processes that have led the company to new heights.
Ms. Kriti Suri	Whole-Time Director	Ms. Kriti Suri is the Collection Head and in-charge of the Company's collection strategy and policies. She identifies the areas in the collection process that needs improvement and implements an enhanced process for effective collections. Ms. Kriti Suri is a post-graduate in Commerce and possess exceptional problem solving and decision- making skills. She regularly monitors repayment of accounts and analyses causes of delinquency, while bringing effective processes for timely collections.
Mr. Devi Dass Agarwal	Independent Director	With 43 years of experience in the banking and finance sector, Mr. Devidas Agrawal is an indispensable member of the company. He has been a part of a reputed organisation- the Central Bank of India and holds an experience of 18 years as a Branch Head of several branches across India. A hard worker and a dedicated professional, Mr. Agrawal often managed to deliver beyond the given targets and achieve impeccable results. He has been a chief member of multiple committees such as Chaired Interview Committee for internal promotion from clerical to officer grade, Chaired Interview Committee for Recruitment of clerk/officers in the bank and Member of Interview Committee for internal promotion. Furthermore, he also attended multiple informative training programs at some leading training colleges including NIBM, Pune and RBI-CAB, Pune.
Mrs. Pinki Sharma	Independent Director	Mrs. Pinki Sharma is a seasoned professional with a Master's degree and extensive expertise in corporate governance and compliance. With her strong academic foundation and deep understanding of regulatory frameworks and business operations, she brings an independent and balanced perspective to the Board. She is committed to upholding the highest standards of ethics, transparency, and accountability, and actively contributes to strategic and financial decision-making. Her presence strengthens the Company's governance framework by ensuring enhanced objectivity, independence, and value-driven leadership.

Management Details		
Name	**Designation**	**Description**

Mrs. Prerna Matta Arora	CFO	A Chartered Accountant and a Company Secretary, Ms. Prerna Matta Arora is a professional with 13 years of extensive experience in the field of Finance, Taxation, Fund-Raising, Compliances, Investor Relations and Fund Management. Ms. Arora is responsible for financial actions of the Company, including business planning, budgeting, forecasting and negotiations. She helps in augmenting the growth of the Company by finding external funding opportunities for growing the business, debt management, cash management, liquidity projections, treasury operations, bank relationship management and short-term investing. She is involved in the entire financial machinery of the Company including recommending / implementing of financial controls & processes that strengthen compliance and ensuring statutory compliances of the Company, along with the enforcement of proper accounting policies and principles. She is a vital part of the complete financial functioning that involves her making recommendations and ensuring the implementation of final processes that lay a strong foundation for the company.
Ms. Shivani Jindal	Company Secretary	Ms. Shivani Jindal is a highly regarded professional with two years of valuable experience in secretarial and legal compliance. Her expertise encompasses a wide range of corporate laws, including compliance with BSE, SEBI, and ROC regulations. Ms. Jindal has demonstrated proficiency in managing compliances related to preferential allotments of warrants, bonus issues, and stock splits. Additionally, she has played a key role in facilitating the merger and amalgamation processes for both listed and unlisted companies. In her capacity, Ms. Jindal is instrumental in keeping the Board informed about pertinent laws and regulations. She diligently monitors compliance with statutory requirements, internal policies, and fair practice codes. Her commitment to ensuring adherence to regulatory standards positions her as an invaluable advisor to the company, guiding it toward sustainable progress. A dedicated professional, Ms. Shivani Jindal exemplifies integrity and expertise in her field, making her a vital asset to the organization.
Mr. Mukesh Sharma	Collections and Operations Head	'Mr. Mukesh Sharma oversees the Home Loan vertical of the company, including the management of the Loan Origination System (LOS) and Loan Management System (LMS) known as 'Omnifin'. He plays a key role in ensuring seamless operations, addressing routine queries related to both the Omnifin software and overall company processes. Under his strong leadership, the Home Loan segment's collection division has been significantly strengthened.
Mr. Vinod Bansal	Vice President Operations- Gold Loan	'Mr. Vinod is a qualified Chartered Accountant with 14 years of comprehensive experience in the finance sector. Currently, he oversees the entire Gold loan vertical, bringing his extensive expertise and meticulous financial acumen to the role. His dedication to excellence and profound understanding of financial and operations intricacies make him an indispensable leader in the industry.

(3) **Names, addresses, director identification number (DIN) and occupations of the directors**:

S. NO.	NAME OF THE DIRECTOR	OCCUPATION	DIN NO	ADDRESS
1.	Mr. Gopal Bansal	Business	01246420	A-1/11, Near NK Bagrodia Public School, Varun Apartments, Plot No.12, Sector-9, Rohini, Delhi-110085
2.	Mrs. Sunita Bansal	Business	02801660	A-1/11, Near NK Bagrodia Public School, Varun Apartments, Plot No.12, Sector-9, Rohini, Delhi-110085
3.	Mr. Ashish Bansal	Business	06607944	A-7/30, A Block Pkt-7, Sector-16, Rohini, Delhi-110089
4.	Ms. Kriti Suri	Business	09258479	CDG-095, DLF Capital Greens, 15 Shivaji Marg, Moti Nagar, Karampura, Delhi-110015
5.	Mr. Devi Dass Agarwal	Consultant in banking sector	09152596	Flat No.18, Pocket-D-10, Om Sai Appartment, Sector-7, Rohini, Delhi-110085
6.	Mrs. Pinki Sharma	Business	11194389	SU-177, Pitampura, North West Delhi-110034

(4) **Management's perception of risk factors:**

Please refer to Section 3 of the Key Information Document and Section 4 of the General Information Document.

(5) **Risk related to the business of the Issuer:**

Please refer to Section 3 of the Key Information Document above

(g) **Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:**

(i) Statutory dues: Nil
(ii) Debentures and interest thereon: Nil
(iii) Deposits and interest thereon: Nil
(iv) Loan from any bank or financial institution and interest thereon: Nil

(6) **Name, designation, address and phone number, email ID of the nodal/compliance officer of the Company, if any, for the private placement offer process:**

Name: Shivani Jindal
Designation: Compliance Officer and Company Secretary
Address: D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi, India
Phone No.: 011-47096097
Email: compliance@iflfinanceltd.com

(7) **Any Default in Annual Filing of the Company under the Companies Act, 2013 or the rules made thereunder:** Nil

(8) **Registrar of the Issue**: Skyline Financial Services Private Limited.

(9) **Valuation Agency**: Not applicable as the Debentures are being offered at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.

(10) **Auditors**: Ajay Rattan & Co.

2. **PARTICULARS OF THE OFFER:**

(i) Financial position of the Company for the last 3 financial year	Please refer to Chapter A of this PPOA for the financial position of the Issuer for the financial years ended March 31, 2023, March 31, 2024, and March 31, 2025.
(ii) Date of passing of Board Resolution	Resolution dated January 07, 2026 of the board of directors of the Issuer.
(iii) Date of passing of resolution in the general meeting, authorizing the offer of securities	Resolution dated September 29, 2022 of the shareholders of the Issuer under Section 180(1)(c) of the Companies Act, 2013.
(iv) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only)
(v) Price at which the security is being offered, including the premium if any, along with justification of the price	The Debentures are being offered at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
(vi) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
(vii) Relevant date with reference to which the price has been arrived at [Relevant Date means a date atleast 30 (thirty) days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
(viii) The class or classes of persons to whom the allotment is proposed to be made	Please refer to *'Eligible Investors'* under Section 7.15 of the Key Information Document.
(ix) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [not required in case of issue of non-convertible debentures]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.

<table>
<tr><td>(x) The proposed time within which the allotment shall be completed</td><td>The Debentures will be deemed to be allotted on January 16, 2026 ("Deemed Date of Allotment"), and the Issuer will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("Debenture Holders") within the timelines prescribed under the SEBI Listing Timelines Requirements, each in accordance with the debenture trust deed ("DTD") to be entered into between the Issuer and the debenture trustee ("Debenture Trustee").</td></tr>
<tr><td>(xi) The names of the proposed allottees and the percentage of post private placement capital that may be held by them [not required in case of issue of non-convertible debentures];</td><td>Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.</td></tr>
<tr><td>(xii) The change in control, if any, in the Company that would occur consequent to the private placement</td><td>No change in control would occur consequent to this private placement as the Debentures are non-convertible debt instruments.</td></tr>
<tr><td>(xiii) The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of number of securities as well as price</td><td>The details of allotment on preferential basis/private placement/rights issue already been made during the current financial year is as follows:

<table>
<tr><th>S. No.</th><th>Number of securities allotted</th><th>Type of securities allotted</th><th>Face value of each security (in INR)</th><th>Aggregate value of securities (in INR)</th><th>Preferential basis/private placement/rights issue</th></tr>
<tr><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>(xiv) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</td><td>Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.</td></tr>
<tr><td>(xv) Amount, which the Company intends to raise by way of proposed offer of securities</td><td>Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only)</td></tr>
<tr><td>(xvi) Terms of raising of securities:</td><td>
<table>
<tr><td>Duration, if applicable:</td><td>24 (twenty four) months from the Deemed Date of Allotment.

The proposed interest payment and redemption schedules are set out in Annexure IV (Illustration of Bond Cashflows) of this Key Information Document.</td></tr>
<tr><td>Rate of dividend or rate of interest:</td><td>12.25% (twelve decimal two five percent) per annum, or the revised rate of interest in accordance with sub-section named "Step Up/Step Down Coupon Rate" under Section 6.1 (Summary Terms) of the Key Information Document.

The proposed interest payment and redemption schedules are set out in Annexure IV (Illustration of Bond Cashflows) of this Key Information Document.</td></tr>
</table></td></tr>
</table>

<table>
<tr><td></td><td><table>
<tr><td>Mode of payment</td><td>The payment in respect of the application money can be made by way of electronic mode of transfer such as RTGS / NEFT / any other similar payment facility wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 7.9 of the Key Information Document.</td></tr>
<tr><td>Mode of repayment</td><td>All interest, principal repayments, penal interest and other amounts, if any, payable by the Issuer to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders inform the Issuer in writing and which details are available with the registrar and transfer agent for the Issuer.</td></tr>
</table></td></tr>
<tr><td>(xvii) Proposed time schedule for which this private placement offer cum application letter is valid</td><td>Issue Opening Date: January 14, 2026

Issue Closing Date: January 14, 2026

Pay in Date: January 16, 2026

Deemed Date of Allotment: January 16, 2026</td></tr>
<tr><td>(xviii) Purpose and objects of the offer/Issue</td><td>Please refer to Section 6.1 (Summary Terms) of the Key Information Document.</td></tr>
<tr><td>(xix) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</td><td>No.</td></tr>
<tr><td>(xx) Principal terms of assets charged as security, if applicable</td><td>Please refer section named "Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)" in Section 6.1 (Summary Terms) of the Key Information Document.</td></tr>
<tr><td>(xxi) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations</td><td>No significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations.</td></tr>
<tr><td>(xxii) The pre-issue and post issue shareholding pattern of the Company in the following format</td><td><table>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Category</th><th colspan="2">Pre-issue</th><th colspan="2">Post Issue</th></tr>
<tr><th>No. of shares held</th><th>% of Shareholding</th><th>No. of shares held</th><th>% of Shareholding</th></tr>
<tr><td>A</td><td>Promoter's Holding</td><td></td><td></td><td></td><td></td></tr>
<tr><td>1</td><td>Indian</td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>Individual</td><td>24573138</td><td>28.99</td><td>24573138</td><td>28.99</td></tr>
<tr><td></td><td>Bodies Corporate</td><td>60185024</td><td>71.01</td><td>60185024</td><td>71.01</td></tr>
<tr><td></td><td>Sub-Total</td><td>84758162</td><td>100</td><td>84758162</td><td>100</td></tr>
</table></td></tr>
</table>

	2	Foreign Promoters	-	-	-	-
		Sub-Total (A)	84758162	100	84758162	100
	B	No-Promoters Holding				
	1	Institutional Investors	-	-	-	-
	2	Non-Institutional Investors	-	-	-	-
		Private Corporate Bodies	-	-	-	-
		Directors and Relatives	-	-	-	-
		Indian Public	2	0.00	2	0.00
		Other [Including Non-Resident Indians (NRI's)]	-	-	-	-
		Sub-Total (B)	2	0.00	2	0.00
		GRAND TOTAL (A + B)	84758164	100	84758164	100

3. **MODE OF PAYMENT FOR SUBSCRIPTION:**

( ) Cheque
( ) Demand Draft
(x) Other Banking Channels

4. **DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC:**

(i) Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	The directors, promoters, and key managerial personnel do not have any financial or other material interest in the offer that is different from the interests of other persons. Accordingly, no additional disclosures are applicable.

<table>
<tr>
<td>(ii) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td>
<td>During the last three years immediately preceding the year of issue of this document, certain actions have been taken by the Securities and Exchange Board of India (SEBI) against some of the promoters and promoter group entities of the Company. The details are as follows:

a. SEBI, vide its order SO/AB/EFD2/2022-23/7162 dated March 08, 2023, imposed a monetary penalty of ₹1,00,000 (Rupees One Lakh only) on India Finsec Limited, one of the promoters of the Issuer. The penalty amount has been duly paid and the matter stands resolved.

b. SEBI, vide its order WTM/AB/IVD/ID11/29124/2023-24 dated September 04, 2023, restrained Gopal Bansal HUF, promoter of the Issuer, from accessing the securities market and prohibited it from buying, selling, or otherwise dealing in securities. The restriction period concluded on September 03, 2025. The matter is currently pending before the Securities Appellate Tribunal (SAT) for further consideration.

c. SEBI, vide its order WTM/AB/IVD/ID9/10103/2020-21 dated January 15, 2021, had restrained India Finsec Limited, one of the promoters of the Issuer, from accessing the securities market. The restriction period was completed on July 14, 2022, and there are no ongoing restrictions as on date.

d. SEBI, vide its order WTM/AB/IVD/ID9/10103/2020-21 dated January 15, 2021, had restrained Mrs. Renu Bansal, the promoter group of the Issuer, from accessing the securities market. The restriction period concluded on January 14, 2024, and there are no continuing restrictions as on date.</td>
</tr>
<tr>
<td>(iii) Remuneration of directors (during the current year and last 3 (three) financial years)</td>
<td>
<table>
<tr><th>Sr. No.</th><th>Name of the Director</th><th>Financial Year</th><th>Remuneration payable or paid (in INR)</th></tr>
<tr><td rowspan="4">1.</td><td rowspan="4">Mr. Gopal Bansal</td><td>2022-23</td><td>17,61,246</td></tr>
<tr><td>2023-24</td><td>20,50,704</td></tr>
<tr><td>2024-25</td><td>29,29,584</td></tr>
<tr><td>2025-26 (Current Year)-as on 30th September, 2025</td><td>14,64,792</td></tr>
<tr><td rowspan="4">2.</td><td rowspan="4">Mrs. Sunita Bansal</td><td>2022-23</td><td>8,80,628</td></tr>
<tr><td>2023-24</td><td>11,71,824</td></tr>
<tr><td>2024-25</td><td>14,64,768</td></tr>
<tr><td>2025-26 (Current Year)</td><td>10,25,340</td></tr>
<tr><td rowspan="4">3.</td><td rowspan="4">Mr. Ashish Bansal</td><td>2022-23</td><td>11,73,544</td></tr>
<tr><td>2023-24</td><td>14,64,768</td></tr>
<tr><td>2024-25</td><td>14,64,768</td></tr>
<tr><td>2025-26 (Current Year)</td><td>6,10,320</td></tr>
<tr><td rowspan="4">4.</td><td rowspan="4">Ms. Kriti Suri</td><td>2022-23</td><td>8,78,835</td></tr>
<tr><td>2023-24</td><td>9,36,912</td></tr>
<tr><td>2024-25</td><td>9,96,048</td></tr>
<tr><td>2025-26 (Current Year)</td><td>5,42,844</td></tr>
<tr><td rowspan="4">5.</td><td rowspan="4">Mr. Amit Kumar Agarwal</td><td>2022-23</td><td>60,000</td></tr>
<tr><td>2023-24</td><td>50,000</td></tr>
<tr><td>2024-25</td><td>1,07,500</td></tr>
<tr><td>2025-26 (Current Year)</td><td>-</td></tr>
<tr><td>6.</td><td></td><td>2022-23</td><td>47,500</td></tr>
</table>
</td>
</tr>
</table>

		Mr. Ramesh Bansal	2023-24	60,000
			2024-25	50,000
			2025-26 (Current Year)	-
	7.	Mr. Devi Dass Agarwal	2022-23	45,000
			2023-24	47,500
			2024-25	92,500
			2025-26 (Current Year)	-
	8.	Mrs. Pinki Sharma	2022-23	-
			2023-24	-
			2024-25	-
			2025-26 (Current Year)	-

(iv) Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided	Please refer **Chapter C** of this PPOA.
(v) Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said	There are no reservations, qualifications, or adverse remarks made by the auditors in the last five financial years immediately preceding the year of issue.

reservations or qualifications or adverse remark	
(vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last 3 (three) years immediately preceding the year of issue of this private placement offer cum application letter in the case of the Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	There have been no inquiries, inspections, investigations, prosecutions, fines, or compounding of offences initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of this private placement offer cum application letter in relation to the Company or any of its subsidiaries.
(vii) Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action	No material frauds committed against the Company in the last 3 (three) years.

taken by the Company	

5. **FINANCIAL POSITION OF THE COMPANY:**

The capital structure of the Company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	

Share Capital	No of Securities	Amount (in INR)
Authorised		
Ordinary shares	100000000	1000000000
Preference shares	-	-
TOTAL	100000000	1000000000
Issued Share Capital		
Ordinary Shares	84758164	847581640
Preference Shares	-	-
TOTAL	84758164	847581640
Subscribed Share Capital		
Ordinary Shares	84758164	847581640
Preference Shares	-	
TOTAL	84758164	847581640
Paid up Share Capital		
Ordinary	84758164	847581640
Preference	-	
TOTAL	84758164	847581640

Size of the present offer	Up to 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees (**"INR"**), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only)
Paid-up capital: a. After the offer: b. After the conversion of convertible instruments (if applicable)	INR 847581640.00 (Indian Rupees Eighty Four Crore Seventy Five Lakh Eighty One Thousand Six Hundred Forty Only) Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
Share premium account: a. Before the offer: b. After the offer:	INR 25,95,18,000.00 (Indian Rupees Twenty Five Crores Ninety Five Lakhs and Eighteen Thousand only) INR 25,95,18,000.00 Indian Rupees Twenty Five Crores Ninety Five Lakhs and Eighteen Thousand only) The issue of the Debentures will not result in a change of share premium account as each Debenture is a non-convertible debt instrument which is being issued at face value.
The details of the existing share capital of the Company in a tabular form, indicating therein with regard to each allotment, the date of the allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	

Date of Allotment	Name of Investor	No of Equity Shares allotted	Face Value (in Rs.)	Price of allotment (including premium) (in Rs.)	Consideration	Form Consideration
Incorporation: 17.09.2015 (Subscribers)						
17-09-2015	Incorporation	50000	5000000	10	500000	Cash
FY: 2016-17						
30-03-2017	India Finsec Limited	10450000	104500000	10	104500000	Cash
FY: 2017-18						
23-08-2017	India Finsec Limited	400000	4000000	10	4000000	Cash
28-02-2018	India Finsec Limited	3900000	39000000	10	39000000	Cash
23-03-2018	India Finsec Limited	2400000	24000000	10	24000000	Cash
23-01-2018	Mr. Gaurav Suri	400000	4000000	10	4000000	Cash
28-02-2018	Mr. Gaurav Suri	100000	1000000	10	1000000	Cash
23-01-2018	Mrs. Kriti Suri	350000	3500000	10	3500000	Cash
FY: 2018-19						
06-07-2018	India Finsec Limited	3900000	39000000	10	39000000	Cash
24-11-2018	India Finsec Limited	2840000	28400000	10	28400000	Cash
23-01-2019	India Finsec Limited	300000	3000000	10	3000000	Cash
26.11.2018	India Finsec Limited	9800000	98000000	10	98000000	Conversion of Loan into equity
31-03-2019	India Finsec Limited	5455000	54550000	10	54550000	Conversion of Loan into equity
06-07-2018	Mrs. Sunita Bansal	430000	4300000	10	4300000	Cash
24-11-2018	Mrs. Sunita Bansal	230000	2300000	10	2300000	Cash
23-01-2019	Mrs. Sunita Bansal	240000	2400000	10	2400000	Cash
24-11-2018	Mr. Gopal Bansal	3005000	30050000	10	30050000	Cash
23-01-2019	Mr. Gopal Bansal	350000	3500000	10	3500000	Cash
23-01-2019	Mr. Gaurav Suri	100000	1000000	10	1000000	Cash
06-07-2018	Mrs. Kriti Suri	190000	1900000	10	1900000	Cash
23-01-2019	Arvind Kumar Bansal HUF	210000	2100000	10	2100000	Cash
24.11.2018	Gopal Bansal HUF	10000	100000	10	100000	Cash

FY: 2019-20						
10-07-2019	India Finsec Limited	220000	2200000	10.40	2288000	Cash
10-07-2019	Mrs. Sunita Bansal	750000	7500000	10.40	7800000	Cash
26-11-2019	Mrs. Sunita Bansal	1290000	12900000	10.40	13416000	Cash
10-07-2019	Mr. Gopal Bansal	1730000	17300000	10.40	17992000	Cash
26-11-2019	Mr. Gopal Bansal	303000	3030000	10.40	3151200	Cash
10-07-2019	Mr. Gaurav Suri	115000	1150000	10.40	1196000	Cash
26-11-2019	Mr. Gaurav Suri	10000	100000	10.40	104000	Cash
10-07-2019	Mrs. Kriti Suri	115000	1150000	10.40	1196000	Cash
26-11-2019	Mrs. Kriti Suri	100000	1000000	10.40	1040000	Cash
10-07-2019	Gopal Bansal HUF	180000	1800000	10.40	1872000	Cash
FY: 2020-21						
25-03-2021	Mrs. Sunita Bansal	2727270	27272700	11	29999970	Cash
25-03-2021	Gopal Bansal HUF	1817730	18177300	11	19995030	Cash
F.Y 2021-22						
22/11/2021	Mr. Virender Kumar Bansal	544900	5449000	18.35	9998915	Cash
22/11/2021	Mrs. Santosh Bansal	544900	5449000	18.35	9998915	Cash
22/11/2021	Mr. Ashish Bansal	306200	3062000	18.35	5618770	Cash
22/11/2021	Mrs. Nirmala Devi	306200	3062000	18.35	5618770	Cash
22/11/2021	Mr. Naresh Kumar	306200	3062000	18.35	5618770	Cash
22/11/2021	Ms. Charu Bansal	306200	3062000	18.35	5618770	Cash
22/11/2021	Mrs. Sunita Bansal	555800	5558000	18.35	10198930	Cash
27/08/2021	Mr. Virender Kumar Bansal	817500	8175000	18.35	15001125	Cash
27/08/2021	Mrs. Santosh Bansal	817500	8175000	18.35	15001125	Cash
27/08/2021	Mr. Ashish Bansal	375000	3750000	18.35	6881250	Cash
27/08/2021	Mrs. Nirmala Devi	375000	3750000	18.35	6881250	Cash
27/08/2021	Mr. Naresh Kumar	375000	3750000	18.35	6881250	Cash
27/08/2021	Ms. Charu Bansal	375000	3750000	18.35	6881250	Cash
F.Y 2022-23						

20/02/2023	India Finsec Limited	1634880	16348800	18.35	30000048	Cash
20/02/2023	Mrs. Sunita Bansal	719340	7193400	18.35	13199889	Cash
20/02/2023	Mr. Gopal Bansal	2005460	20054600	18.35	36800191	Cash
20/02/2023	Mr. Virender Kumar Bansal	544960	5449600	18.35	10000016	Cash
20/02/2023	Mrs. Santosh Bansal	544960	5449600	18.35	10000016	Cash
F.Y 2024-25						
25/01/2025	India Finsec Limited	4708796	47087960	18.50	87112726	Cash
15/02/2025	India Finsec Limited	14126368	141263680	18.50	261337808	Cash
Total		**84758164**	**847581640**			

The number and price at which each of the allotments were made by the Company in the last one year preceding the date of this private placement offer cum application letter separately indicating the allotment made for consideration other than cash and details of the consideration in each case.

Please refer to the sections named "*The number of persons to whom allotment on preferential basis/private placement / rights issue has already been made during the year, in terms of number of securities as well as price*" and "*The details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration*" of this PPOA for details of the allotments were made by the Issuer in the last one year preceding the date of this PPOA.

Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of this private placement offer cum application letter

FY	Profits before tax (in INR Cr)	Profits after tax (in INR Cr)
2024 -2025	23.92	18.13
2023 - 2024	16.05	12.15
2022 - 2023	6.25	4.47

Dividends declared by the Company in respect of the said 3 (three) financial years;

FY	Dividend
2024 - 2025	Nil
2023 - 2024	Nil
2022 - 2023	Nil

interest coverage ratio for last 3 (three) years (cash profit after tax plus interest paid/interest paid)

FY	Interest coverage Ratio
2024 - 2025	1.89
2023 - 2024	1.68
2022 - 2023	1.47

A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this private placement offer cum application letter	Please refer **Chapter A** of this PPOA.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of this private placement offer cum application letter	Please refer **Chapter B** of this PPOA.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil

PART B (To be filed by the Applicant)

(i)	Name	
(ii)	Father's name	
(iii)	Complete Address including Flat / House Number, Street, Locality, Pin Code	
(iv)	Phone number, if any	
(v)	Email ID, if any	
(vi)	PAN Number	
(vii)	Bank Account details	
(viii)	Tick whichever is applicable	
(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares		☐
(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith		☐

Signature

Initial of the Officer of the Company designated to keep the record

6. **DECLARATION**

A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.

C. The monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter.

I am authorized by the board of directors of the Issuer *vide* resolution number 06 dated January 07, 2026 of the board of directors of the Issuer, to sign this private placement offer cum application letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this private placement offer cum application letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this private placement offer cum application letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this private placement offer cum application letter.

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

Authorised Signatory

Name: Mr. Gopal Bansal

Designation: Managing Director

Date: January 14, 2026

Place: New Delhi, India

Enclosed

Chapter A - A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter

Chapter B - Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter

Chapter C - Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided

Optional Attachments, if any

CHAPTER A: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Enclosed Separately as Annexure XIV

CHAPTER B: AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Enclosed Separately as Annexure XV

CHAPTER C- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

FY: 2024-25

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2025	31/03/2024	31/03/2025	31/03/2024
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	20.51	20.06	NIL
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	14.65	11.72	1.54	0.90
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	9.96	9.37	0.90	0.78
	Ms. Ashish Bansal	Director remuneration	14.65	14.65	1.14	1.09
	Ms. Prerna Matta Arora	Salary	23.63	19.64	2.07	2.04
	Mr. Somesh Tewari	Salary	NIL	31.42	NIL	NIL
	Ms. Varsha Bharti	Salary	2.99	5.39	NIL	0.85
	Ms. Shivani Jindal	Salary	4.45	NIL	0.66	NIL
	Mr. Vijay Kr. Dwivedi	Salary	NIL	5.33	NIL	NIL
(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Loan Taken	167.53	27.00	NIL	NIL
		Loan Repaid	167.53	27.00	NIL	NIL
		Interest Paid	7.52	0.19	NIL	NIL
	Santosh Bansal	Loan Taken	150.00	NIL	NIL	NIL
		Loan Repaid	150.00	NIL	NIL	NIL
		Interest Paid	8.67	NIL	NIL	NIL
	Virender Kumar Bansal	Loan Taken	176.11	NIL	NIL	NIL
		Loan Repaid	176.11	NIL	NIL	NIL

		Interest Paid	7.92	NIL	NIL	NIL
	Nidhi Bansal	Loan Taken	181.95	NIL	NIL	NIL
		Loan Repaid	181.95	NIL	NIL	NIL
		Interest Paid	7.02	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	19.20	1.44	1.44
	Geetanjali Bansal	Professional Charges	15.84	NIL	1.19	NIL
	India Finsec Limited	Allotment of Equity shares	3,484.51	NIL	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	7.63	NIL	10.90	NIL
	India Finsec Limited	Loan Taken	639.00	NIL	NIL	NIL
		Loan Repaid	639.00	NIL	NIL	NIL
		Interest Paid	14.13	NIL	NIL	NIL
(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

FY: 2023-24

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2024	31/03/2023	31/03/2024	31/03/2023
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	20.51	17.61	NIL	1.50
		Allotment of Equity share	NIL	368.00	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	11.72	8.81	0.90	0.75
		Allotment of Equity share	NIL	131.99	NIL	NIL
	Ms. Kriti Suri	Salary and Conveyance	9.37	8.79	0.78	0.75
	Ms. Ashish Bansal	Director remuneration	14.65	11.74	1.09	NIL
	Ms. Prerna Matta Arora	Salary	19.64	6.40	2.04	1.35
	Ms. Gunjan Jain Jindal	Salary	NIL	6.33	NIL	NIL

	Mr. Somesh Tewari	Salary	31.42	4.03	NIL	4.03
	Ms. Varsha Bharti	Salary	5.39	NIL	0.85	NIL
	Mr. Vijay Kr. Dwivedi	Salary	5.33	8.50	NIL	0.78
(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Advance given	27.00	NIL	NIL	NIL
		Advance received back	27.00	NIL	NIL	NIL
		Interest received	0.19	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	NIL	1.44	NIL
	India Finsec Limited	Allotment of Equity shares	NIL	300.00	NIL	NIL
(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

FY: 2022-23

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2023	31/03/2022	31/03/2023	31/03/2022
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	17.61	17.24	1.50	1.50
		Allotment of Equity share	368.00	Nil	Nil	Nil
	Ms. Sunita Bansal	Rent paid	9.00	8.63	Nil	Nil
		Director remuneration	8.81	8.67	0.75	0.75
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil
		Allotment of Equity share	131.99	46.41	Nil	Nil
	Ms. Kriti Suri	Salary and Conveyance	8.79	8.65	0.75	0.75
	Ms. Ashish Bansal	Allotment of equity shares	Nil	56.88	Nil	Nil
		Director remuneration	11.74	Nil	Nil	Nil
	Ms. Prerna Matta Arora	Salary	6.40	9.84	1.35	1.35
	Ms. Gunjan Jain Jindal	Salary	6.33	Nil	Nil	Nil

	Mr. Somesh Tewari	Salary	4.03	Nil	4.03	Nil
	Mr. Vijay Kr. Dwivedi	Salary	8.50	6.67	0.78	0.78
(iii)	Relatives of Key Management Personnel: -					
	Nirmala Devi	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Naresh Kr. Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Charu Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	India Finsec Limited	Allotment of Equity shares	300.00	Nil	Nil	Nil
(iv)	Other Related parties : -					
	Gopal Bansal HUF	Rent paid	9.00	8.63	Nil	Nil
		Allotment of Equity shares	Nil	Nil	Nil	Nil
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil

ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENCY

Enclosed separately.

ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR

Debenture Trustee:

Enclosed separately.

Registrar:

Enclosed separately.

ANNEXURE III: APPLICATION FORM

IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)
A public limited company incorporated under the Companies Act, 2013
Date of Incorporation: 17.09.2015
Registered Office: D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi, India, 110085
Telephone No.: 011-47096097
Website: www.iflfinanceltd.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF UP TO 16,000 (SIXTEEN THOUSAND) UNSUBORDINATED, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 10,000/- (INDIAN RUPEES TEN THOUSAND ONLY) EACH AND AN AGGREGATE FACE VALUE OF INR 16,00,00,000/- (INDIAN RUPEES SIXTEEN CRORES ONLY) ("DEBENTURES") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

DEBENTURES APPLIED FOR:

Number of Debentures: _____ In words: _____ only
Amount INR _____ /- In words
Rupees: _____ only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on _____

Funds transferred to the account specified in "Instructions" below on _____

Total Amount Enclosed
(In Figures) INR _____ /- (In words) _____ Only

APPLICANT'S NAME IN FULL (CAPITALS)	**SPECIMEN SIGNATURE**

APPLICANT'S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		**PHONE**		**FAX**	

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

WE ARE ( ) COMPANY ( ) OTHERS (Please specify) _____
We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the general information document dated November 11, 2025, the enclosed key information document and the private placement offer cum application letter dated January 14, 2026, each issued by the Issuer (collectively, the "**Disclosure Documents**") and have considered these in making our decision to apply.

We bind ourselves to the terms and conditions of the Disclosure Documents and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL ( ) CDSL ( )**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Disclosure Documents is provided by the Issuer. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**										

Received from _____

Address _____

_____

Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of NSCCL by way of an electronic transfer, in accordance with the terms of the EBP Guidelines:

Beneficiary Name	As available in the NSE EBP Platform
Account Number	As available in the NSE EBP Platform
IFSC Code	As available in the NSE EBP Platform
Mode	As available in the NSE EBP Platform

4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.

5. Receipt of applicants will be acknowledged by the Issuer in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.

6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

7. The application would be accepted as per the terms of the Debentures outlined in the transaction documents for the private placement.

ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Face Value (per security)	INR 10,000 (India Rupees Ten Thousand)
Issue Date / Date of Allotment	January 16, 2026
Final Redemption Date	January 16, 2028
Tenure	24 (twenty four) months from the Deemed Date of Allotment
Coupon Rate	12.25% (twelve decimal two five percent) per annum
Frequency of the Coupon Payment with specified dates	Monthly. Please see below.
Day count convention	Actual/Actual

INTEREST PAYMENT AND REDEMPTION SCHEDULE

Total Cashflows				
Payout Date	**Outstanding Principal**	**Principal Repayment**	**Interest**	**Total Cashflow**
16-Feb-26	16,00,00,000	-	16,64,640	16,64,640
16-Mar-26	16,00,00,000	-	15,03,520	15,03,520
16-Apr-26	16,00,00,000	2,00,00,000	16,64,640	2,16,64,640
16-May-26	14,00,00,000	-	14,09,600	14,09,600
16-Jun-26	14,00,00,000	-	14,56,640	14,56,640
16-Jul-26	14,00,00,000	2,00,00,000	14,09,600	2,14,09,600
16-Aug-26	12,00,00,000	-	12,48,480	12,48,480
16-Sep-26	12,00,00,000	-	12,48,480	12,48,480
16-Oct-26	12,00,00,000	2,00,00,000	12,08,160	2,12,08,160
16-Nov-26	10,00,00,000	-	10,40,480	10,40,480
16-Dec-26	10,00,00,000	-	10,06,880	10,06,880
16-Jan-27	10,00,00,000	2,00,00,000	10,40,480	2,10,40,480
16-Feb-27	8,00,00,000	-	8,32,320	8,32,320
16-Mar-27	8,00,00,000	-	7,51,840	7,51,840
16-Apr-27	8,00,00,000	2,00,00,000	8,32,320	2,08,32,320
16-May-27	6,00,00,000	-	6,04,160	6,04,160
16-Jun-27	6,00,00,000	-	6,24,320	6,24,320
16-Jul-27	6,00,00,000	2,00,00,000	6,04,160	2,06,04,160
16-Aug-27	4,00,00,000	-	4,16,160	4,16,160
16-Sep-27	4,00,00,000	-	4,16,160	4,16,160
16-Oct-27	4,00,00,000	2,00,00,000	4,02,720	2,04,02,720
16-Nov-27	2,00,00,000	-	2,08,160	2,08,160
16-Dec-27	2,00,00,000	-	2,01,440	2,01,440
16-Jan-28	2,00,00,000	2,00,00,000	2,08,160	2,02,08,160

Total Cashflows (Per Debenture)				
Payout Date	**Outstanding Principal**	**Principal Repayment**	**Interest**	**Total Cashflow**
16-Feb-26	10,000.00	0.00	104.04	104.04
16-Mar-26	10,000.00	0.00	93.97	93.97
16-Apr-26	10,000.00	1,250.00	104.04	1,354.04
16-May-26	8,750.00	0.00	88.10	88.10
16-Jun-26	8,750.00	0.00	91.04	91.04
16-Jul-26	8,750.00	1,250.00	88.10	1,338.10
16-Aug-26	7,500.00	0.00	78.03	78.03
16-Sep-26	7,500.00	0.00	78.03	78.03
16-Oct-26	7,500.00	1,250.00	75.51	1,325.51
16-Nov-26	6,250.00	0.00	65.03	65.03

16-Dec-26	6,250.00	0.00	62.93	62.93
16-Jan-27	6,250.00	1,250.00	65.03	1,315.03
16-Feb-27	5,000.00	0.00	52.02	52.02
16-Mar-27	5,000.00	0.00	46.99	46.99
16-Apr-27	5,000.00	1,250.00	52.02	1,302.02
16-May-27	3,750.00	0.00	37.76	37.76
16-Jun-27	3,750.00	0.00	39.02	39.02
16-Jul-27	3,750.00	1,250.00	37.76	1,287.76
16-Aug-27	2,500.00	0.00	26.01	26.01
16-Sep-27	2,500.00	0.00	26.01	26.01
16-Oct-27	2,500.00	1,250.00	25.17	1,275.17
16-Nov-27	1,250.00	0.00	13.01	13.01
16-Dec-27	1,250.00	0.00	12.59	12.59
16-Jan-28	1,250.00	1,250.00	13.01	1,263.01

ANNEXURE V: DUE DILIGENCE CERTIFICATES

1. **Due diligence certificate as per the format specified in the Master Circular for Debenture Trustees:**

Attached separately.

2. **Due diligence certificate as per the format specified in the SEBI Debt Listing Regulations:**

Attached separately.

ANNEXURE VI: DISCLOSURES PURSUANT TO THE MASTER CIRCULAR FOR DEBENTURE TRUSTEES

(a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Movable assets comprising the receivables arising, inter alia, out of identified book debts/loans of the Issuer.

(b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

No title deeds are applicable or available for movable assets of the Issuer set out above over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

(c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc.**

The charge created over the movable assets set out in (a) above will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with the any sub-registrar.

(d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances.

(e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

(i) **Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:** Not applicable.

(ii) **Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:** Not applicable.

(iii) **Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:** Not applicable.

(f) **In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

(i) **Details of guarantor viz. relationship with the Issuer:** (A) Mr. Gopal Bansal, and (B) Mrs. Sunita Bansal

(ii) **Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor:** The required statement has been obtained by IFL Finance Limited and has been submitted to the Debenture Trustee.

(iii) **List of assets of the guarantor including undertakings/ consent/ NOC as per para 2.1(b) and 2.1(c) of Chapter II of the Master Circular for Debenture Trustees**: Not applicable as the guarantees to be provided by the Guarantors are not backed by assets of the Guarantors.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** As set out in the indicative draft of the deed of guarantee is set out in Annexure XII of this Key Information Document.

(v) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** The list/details of previously entered agreements for providing guarantee by the Guarantors are enclosed as Annexure XIII of this Key Information Document. The Issuer hereby undertakes that there are no agreements other than those provided in the list enclosed as Annexure XIII that the Guarantors have entered into for providing guarantees.

(g) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

(i) **Details of guarantor viz. holding/ subsidiary/ associate company etc**: Not Applicable

(ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities**: Not applicable.

(iii) **List of assets of the guarantor along-with undertakings/consent/NOC as per para 2.1(b) and 2.1(c) of Chapter II of the Master Circular for Debenture Trustees**: Not applicable.

(iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable.

(v) **Impact on the security in case of restructuring activity of the guarantor:** Not applicable.

(vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** Not applicable.

(vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** Not applicable.

(viii) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any**: Not applicable.

(h) **In case of any other contractual comforts/ credit enhancements provided for or on behalf of the issuer, it shall be required to be legal, valid and enforceable at all times, as affirmed by the issuer. In all other respects, it shall be dealt with as specified above with respect to guarantees**: Not applicable.

(i) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not applicable.

(j) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**: Please refer section named "*Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Key Information Document*" in Section 8.1 (*Summary Terms*).

(k) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security**: Not applicable.

(l) **Declaration**: The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(m) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**: Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.

(n) **Details of security to be created**: Please refer section named "*Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Key Information Document*" in Section 6.1 (*Summary Terms*).

(o) **Process of due diligence carried out by the debenture trustee under the Master Circular for Debenture Trustees**: The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the Master Circular for Debenture Trustees. The due diligence broadly includes the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the Master Circular for Debenture Trustees) as per the nature of security provided by the Issuer in respect of the Debentures.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Debentures are to be secured to the extent of at least 100% of the principal and interest amount or as per the terms of this Key Information Document, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

(v) Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.

(p) **Due diligence certificates as per the format specified in the Debenture Trustees Master Circular and the Debt Listing Regulations**: Enclosed as Annexure V. The due diligence certificates will be submitted to NSE along with the Key Information Document.

ANNEXURE VII: FINANCIAL STATEMENTS

Enclosed separately.

ANNEXURE VIII: BOARD RESOLUTION

Enclosed separately.

ANNEXURE IX: SHAREHOLDERS' RESOLUTIONS

Enclosed separately, if applicable

ANNEXURE X: IN-PRINCIPAL APPROVAL

Enclosed separately.

ANNEXURE XI: COPY OF THE DEBENTURE TRUSTEE AGREEMENT

Enclosed separately.

ANNEXURE XIII: LIST/DETAILS OF PREVIOUSLY ENTERED AGREEMENTS FOR PROVIDING GUARANTEE BY THE PERSONAL GUARANTORS

Enclosed separately.

ANNEXURE XII: INDICATIVE DRAFT OF PERSONAL GUARANTEE

Enclosed separately.

Annexure-I

CONFIDENTIAL

RL/IFHOFL/385532/NCD/1225/136218/168557258
December 24, 2025

Mr. Gopal Bansal
Managing Director
IFL Finance Limited
D-16, First Floor, Prashant Vihar
Sector-14, Rohini, Delhi
North Delhi - 110085
9350655363

Dear Mr. Gopal Bansal,

Re: Crisil Rating on the Rs. 40 Crore Non Convertible Debentures of IFL Finance Limited

All ratings assigned by Crisil Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated December 19, 2025 bearing Ref. no: RL/IFHOFL/385532/NCD/1225/136010/168557258

Rating outstanding on the captioned debt instruments is "Crisil BBB/Stable" (pronounced as Crisil triple B rating with Stable outlook) . Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from Crisil Ratings will be necessary.

As per our Rating Agreement, Crisil Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. Crisil Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which Crisil Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable Crisil Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - Crisil Ratings

Nivedita Shibu
Director - Crisil Ratings

***Disclaimer**: A rating by Crisil Ratings reflects Crisil Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by Crisil Ratings. Our ratings are based on information provided by the issuer or obtained by Crisil Ratings from sources it considers reliable. Crisil Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by Crisil Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. Crisil Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. Crisil Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. Crisil Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. Crisil Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by Crisil Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at Crisilratingdesk@crisil.com or at 1800-267-3850*

Rating Rationale

November 10, 2025 | Mumbai

IFL Finance Limited

Rating upgraded to 'Crisil BBB/Stable'; 'Crisil BBB/Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	**Rs.170 Crore**
Long Term Rating	**Crisil BBB/Stable (Upgraded from 'Crisil BBB-/Stable')**

Rs.40 Crore Non Convertible Debentures	**Crisil BBB/Stable (Assigned)**

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has upgraded its rating on the long-term bank loan facilities of IFL Finance Limited (IFL Finance; formerly known as IFL Housing Finance Limited) to **'Crisil BBB/Stable'** from 'Crisil BBB-/Stable'. Crisil Ratings has also assigned its **'Crisil BBB/Stable'** rating to Rs 40 crore of non-convertible debentures (NCDs) of IFL Finance.

The rating upgrade is driven by the company's healthy profitability and managed asset quality, as well as adequate capitalisation for the current scale of operations backed by periodic equity infusion from the promoters and experience of the management. These strengths are partially offset by limited, though improving, track record of scaling of gold loan business and moderate resource profile.

IFL Finance (formerly IFL Housing) commenced operations in January 2018 and extended home loans (HL) primarily for renovations and extensions (26% of loan book as on September 30, 2025), gold loans (73%) and loans against property [LAP] (1%). Post March 2024, the company has realigned focus to concentrate predominantly on the gold loan business and gradually rundown other businesses. The company has surrendered its housing finance company (HFC) license and has become a non-banking financial company (NBFC) effective June 2025. While home loans and LAP were primarily extended to low-income and middle-income borrowers in tier 5 and 6 towns, gold loans are mainly to borrowers in Delhi, National Capital Region (NCR) & Karnal, Haryana. Assets under management (AUM) have grown to Rs 332 crore as on March 31, 2025 (Rs 279 crore as on March 31, 2024). Further AUM grew to Rs 399 crore as on September 30, 2025.

The company has experienced management, headed by Mr. Gopal Bansal who is the founder, CEO and Managing Director. The bulk of gold loan business workforce comes with relevant prior experience in this segment. The defocussed businesses of home loan and LAP are handled only by the collections team while no new disbursements have been undertaken since March 2024.

Capitalisation is adequate for the current scale of operations with tangible net worth of Rs 170 crore and a modest leverage of 1.4 times as on September 30, 2025. For its scale, the company's resource mix is moderately diversified with 35 lenders. Of the total borrowings as on September 30, 2025, 30% were from banks and small finance banks, 69% from NBFCs/HFCs, and 1% from National Housing Bank (NHB).

As on March 31, 2025, and September 30, 2025 (provisional), IFL reported overall gross non-performing assets (GNPA) of 0.7%. Profitability has improved with profit after tax of Rs 18.1 crore in FY25, because of healthy net interest margins (NIMs), improving operating efficiency and benign credit cost.

Going forward, the company's profitability trajectory particularly in terms of absolute earnings and ability to manage credit losses while scaling up its gold loan book will be a key monitorable.

Analytical Approach

Crisil Ratings has analysed the standalone business and financial risk profiles of IFL Finance.

Key Rating Drivers - Strengths

Adequate capitalisation levels to support planned growth
IFL Finance's capitalisation is supported by equity infusion of Rs 107 crore by the promoters since inception. Tangible net worth and capital adequacy ratio stood at Rs 170 crore and 54.1%, respectively as on September 30,2025 as against Rs 159 crore and 65.8% as on March 31, 2025. (Rs 106 crore and 62.9% as on March 31, 2024)

The company's leverage is moderate at 1.4 times as on September 30, 2025, and management aims to maintain it below 3.0 times over the medium term.

IFL Finance's non-operating holding company, India Finsec Limited owns 71% stake in IFL Finance as on September 30,2025, and promoters, Gopal Bansal and his wife Sunita Bansal hold 9% each. The remaining stake is held by friends and family of the promoter. India Finsec Limited is listed on the BSE and 56% of the holding in this entity is with Mr. Bansal and his friends and family, while the remaining is publicly held.

The promoter is exploring avenues for capital raise from external investors, to support growth in the medium to long term. However, in the near to medium term, the promoter aims to infuse capital and continue to hold majority stake in the company.

Improving earnings profile
The company's profitability has been on an improving trend supported by healthy growth in interest income. During fiscal 2025, return on managed assets (RoMA) improved to 5.5% compared to 4.2% during fiscal 2024 with PAT of Rs 18.1 crore compared to Rs 12.1 crore for the same periods. Profitability trends remained healthy for 1HFY26 with RoMA of 5.5% (annualised) and PAT (provisional) of Rs 11 crore.

Net interest margins have remained strong for the company given that they have been operating in a very high yield segment of 24% for home loans. Incremental disbursements since fiscal 2024 were only towards gold loans where yield range from 18-21%, NIMs remained range bound at 14.1% in FY25, compared to 14.2% in FY24 given growth of loan book towards risker borrower profile. Operating expenses remain elevated, although reduced to 6.7% in FY25 from 8.3% in FY24. Operating efficiency is expected to improve with scale up in portfolio but the planned branch expansion in the current fiscal is expected to keep expenses at similar levels.

Profitability also benefits from very low credit costs currently. The company had credit costs in range of 0.2%-0.3% on steady state basis. Going ahead, ability to manage credit loss on the gold portfolio through effective auction processes, as the book continues to scale up, will need to be demonstrated.

Experienced management teams
Mr. Gopal Bansal (CEO & Managing Director) is a first-generation entrepreneur and has experience of around 19 years in the field of banking and finance. He was associated with a large private sector bank as a channel partner for home loans prior to starting IFL Finance (formerly IFL Housing) and was also a practicing CA.

The current senior management has been with the company since inception and has played a critical role in expanding the business operations. The company also has an experienced second line, which has helped put adequate systems, processes, and policies in place to manage inherent risks in the borrower profile.

Key Rating Drivers - Weaknesses
Limited, though improving, track record of operations
IFL Finance started operations in January 2018 and has grown its AUM to Rs 332 crore as on March 31, 2025, from Rs 279 crore as on March 2024 (Rs 251 crore as on March 31, 2023). This further grew to Rs 399 crore as on September 30, 2025. As of the same date, the composition of the loan book was: 73% gold loans, 26% home loans, and 1% loans against property. IFL Finance has presence in Rajasthan, Madhya Pradesh, Haryana and Delhi with 82% of the total portfolio being concentrated in Rajasthan and Delhi.

The company reported GNPA of 0.7% as on March 31, 2025, and September 30, 2025 (provisional), pertaining to housing and LAP. The net non-performing assets (NNPA) was 0.5%, as on same dates.

A significant portion of the gold loan book is new. Therefore, ability to successfully manage collections and recovery over a sustained period in this borrower segment and on the remaining housing loan book still need to be seen. The company expects the home loan book to fully run down over a three-year period. Going ahead, successful scaling up of gold business operations as a newly incorporated NBFC while adhering to regulatory compliances will need to be demonstrated.

Moderate resource profile for the scale of operations and high cost of funds
IFL Finance's resource profile is skewed towards NBFCs, comprising funding relationships with 35 lenders with 30% of borrowings from banks and small finance banks, 69% from NBFCs/HFCs, and 1% from NHB as on September 30, 2025. The borrowings on the same date stood at Rs 239 crore as against Rs 188 crore as on March 31, 2025. As the company continues to scale its operations, diversifying its resource profile to achieve an optimal cost of funding remains to be seen.

Inherently risky borrower profile

The company's housing customers included people in the economically weaker sections, low and middle-income group (EWS/LIG/MIG) as well as to self-employed/salaried people in the organized/unorganized sector. These included grocery shop owners, street and vegetable vendors, small business establishment owners, working capital borrowers, auto rickshaw & cab drivers, barbers, and carpenters, which are vulnerable to economic cycles hence could be relatively riskier in nature.

In gold loan segment, the target borrower segment mainly comprises secured loans to low to middle income group borrowers- small to medium businessmen and working capital borrowers. These are largely self-employed with some having informal income sources which makes them vulnerable to cash flow fluctuations and limited access to liquidity, in case of an exigency.

The shift from housing loans to gold loans implies a higher focus on collateral based underwriting and lower legal and technical bandwidth on collateral enforcement, even as collections on the degrowing housing book will remain a monitorable.

Liquidity Adequate
As on September 30, 2025, the asset liability maturity profile had positive cumulative mismatches in all the time buckets. The Company had cash and equivalents (including liquid investments) of Rs 27.6 (excluding term loans and securitization) crore as on September 30, 2025, against debt obligation of Rs 25.8 crore due for servicing over two months until November 2025. This represents liquidity cover of 1.1 times for two months. In addition, the company had unutilised lines of Rs 24 crore as on September 30, 2025. As an internal policy, the company maintains on-balance sheet liquidity to cover three months of debt and operating expenses.

Outlook Stable
IFL Finance will maintain adequate capitalisation over the medium term with steady growth in the AUM. Ability to maintain asset quality and improve absolute earnings as the gold loan book seasons will be a key monitorable

Rating sensitivity factors
Upward factors
- Substantial scale up in franchise while maintaining asset quality
- Diversification of resource profile and improvement in cost of funding
- Significant and sustained increase in absolute earnings while maintaining profitability at current levels on a steady state basis

Downward factors
- Deterioration in capital structure, with sharp and sustained increase in gearing
- Deterioration in asset quality thereby impacting earnings with return on average assets below 1.5%

About the Company
IFL Finance (formerly IFL Housing Finance Limited) was a housing finance company engaged in financing of home loans, loans against property and gold loans. It was incorporated in September 2015, and it commenced its operations in January 2018 on receipt of its HFC licence. Presently, the company has transitioned into an NBFC after surrendering its HFC license in June 2025, specialising in the gold loan business, with the HL and LAP business on a gradual run down. The company is led by CA Gopal Bansal who has around two decades of expertise in finance, portfolio management, etc.

The promoter, India Finsec Limited, a BSE listed NBFC, holds around 71% shareholding in IFL Finance as on March 31, 2025. Mr Gopal Bansal is the Chairman and Managing Director of the parent entity.

AUM of the company grew to Rs 332 crore as on March 31, 2025, from Rs 279 crore as on March 31, 2024. The company reported PAT of Rs 18.1 crore and total income (net of interest expense) of Rs 46.0 crore for fiscal 2025, against Rs 12.1 crore and Rs 40.5 crore, respectively, for fiscal 2024.

Key Financial Indicators

As on/for the period ending	Unit	Sept 2025	March 2025	March 2024	March 2023
		IND AS (Provisional)	IND AS	IND AS	IND AS
Total assets	Rs crore	429	362	301	276
Total tangible networth	Rs crore	170	159	106	94
Gearing	Times	1.4	1.2	1.7	1.8
PAT	Rs crore	11.0	18.1	12.1	4.5
Return on managed assets	%	5.5*	5.5	4.2	2.0

**annualised*

Status of non cooperation with previous CRA:
IFL Finance has not cooperated with INFOMERICS Valuation and Rating Private Limited, which has classified it as issuer non-cooperative vide release dated October 11, 2023. The reason provided by INFOMERICS is non-furnishing of information for monitoring of ratings.

Any other information: Not applicable

Note on complexity levels of the rated instrument:
Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Non Convertible Debentures#	NA	NA	NA	40.00	Simple	Crisil BBB/Stable
NA	Overdraft Facility&	NA	NA	NA	20.00	NA	Crisil BBB/Stable
NA	Proposed Long Term Bank Loan Facility$	NA	NA	NA	56.42	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	27-Dec-29	17.00	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	25-Aug-26	1.35	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	18-Jun-27	18.33	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	19-Apr-26	0.62	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	31-Jan-27	2.94	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	29-Sep-26	4.61	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	31-Aug-25	0.27	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	27-Mar-27	2.30	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	29-Aug-26	1.87	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	12-Jun-27	0.31	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	21-Jun-27	7.99	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	19-Apr-26	0.94	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	29-Jun-27	9.17	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	27-Feb-27	1.25	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	21-Jun-27	9.17	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	05-Nov-26	3.28	NA	Crisil BBB/Stable

NA	Term Loan@	NA	NA	29-Jul-32	2.18	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	05-Aug-27	10.00	NA	Crisil BBB/Stable

 # Yet to be issued
& - Overdraft is as per sanctioned amount
$ - Interchangeable with short term bank loan facility
@ - Term loan facility is outstanding as on Aug-2025

Annexure - Rating History for last 3 Years

	Current			2025 (History)		2024		2023		2022		Start of 2022
Instrument	**Type**	**Outstanding Amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Rating**
Fund Based Facilities	LT	170.0	Crisil BBB/Stable	22-09-25	Crisil BBB-/Stable	06-11-24	Crisil BBB-/Stable	10-08-23	Crisil BBB-/Stable		--	--
			--		--	13-08-24	Crisil BBB-/Stable		--		--	--
Non Convertible Debentures	LT	40.0	Crisil BBB/Stable		--		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Overdraft Facility&	**3**	**CSB Bank Limited**	**Crisil BBB/Stable**
Overdraft Facility&	**7**	**City Union Bank Limited**	**Crisil BBB/Stable**
Overdraft Facility&	**10**	**The Federal Bank Limited**	**Crisil BBB/Stable**
Proposed Long Term Bank Loan Facility$	**56.42**	**Not Applicable**	**Crisil BBB/Stable**
Term Loan#	**1.25**	**Sundaram Home Finance Limited**	**Crisil BBB/Stable**
Term Loan#	**9.17**	**Capital Small Finance Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**3.28**	**Electronica Leasing and Finance Limited**	**Crisil BBB/Stable**
Term Loan#	**2.18**	**National Housing Bank**	**Crisil BBB/Stable**
Term Loan#	**10**	**Paul Merchants Finance Private Limited**	**Crisil BBB/Stable**
Term Loan#	**17**	**State Bank of India**	**Crisil BBB/Stable**
Term Loan#	**1.35**	**AU Small Finance Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**18.33**	**AU Small Finance Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**0.62**	**DCB Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**2.94**	**Bandhan Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**4.61**	**State Bank of India**	**Crisil BBB/Stable**
Term Loan#	**0.27**	**Truhome Finance Limited**	**Crisil BBB/Stable**
Term Loan#	**2.3**	**Nabsamruddhi Finance Limited**	**Crisil BBB/Stable**
Term Loan#	**1.87**	**Sundaram Home Finance Limited**	**Crisil BBB/Stable**
Term Loan#	**0.31**	**National Housing Bank**	**Crisil BBB/Stable**
Term Loan#	**7.99**	**AU Small Finance Bank Limited**	**Crisil BBB/Stable**

Term Loan#	**0.94**	**AU Small Finance Bank Limited**	**Crisil BBB/Stable**
Term Loan#	**9.17**	**A. K. Capital Finance Limited**	**Crisil BBB/Stable**

& - Overdraft is as per sanctioned amount
$ - Interchangeable with short term bank loan facility
 # - Term loan facility is outstanding as on Aug-2025

Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for Finance and Securities companies (including approach for financial ratios)

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Note for Media:
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Annexure-II

CATALYST
Believe in yourself .. Trust us!

CL/DEB/25-26/2074

Date: 05-Jan-2026

To,

IFL Finance Ltd,
D-16, First Floor, Prashant Vihar,
Sector-14, Rohini, Delhi, New Delhi,
India 110085.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures aggregating upto ₹ 16.00 Crores

We refer to your letter dated 05.01.2026, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

Name : Priti Shetty

Designation : Assistant Vice President

Annexure A

Fee Structure for transaction CL/DEB/25-26/2074

PARTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 40,000.00
Annual Trusteeship Fees (Amount)	₹ 40,000.00

Annual Fees is payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable. The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Catalyst Trusteeship Limited

Name : Priti Shetty

Designation : Assistant Vice President

We accept the above terms.

For IFL Finance Ltd

IFL FINANCE LIMITED NEW DELHI

Name : Mr. Gopal Bansal

Designation : Managing Director

Skyline Financial Services Pvt. Ltd

S.E.B.I. REGISTERED CATEGORY-1 REGISTRARS & SHARE TRANSFER AGENT
Office : D/153A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020..
Tel. : +91-11- 40450195/Fax +91-11- 26812682 | CIN :U74899DL1995PTC071324
Email : info@skylinerta.com : website : www.skylinerta.com

Date: 06.01.2026

To,

IFL Finance Limited
D-16, Prashant Vihar, Rohini Sec -14
Above ICICI Bank, Delhi-110085

Sub: Consent to act as RTA for Private Placement of Fully Paid, Senior, Secured, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of ₹ 16 Crores.

Dear Sir,

This has reference to your email dated 06.01.2026 with regard to the captioned subject. We hereby accord our consent to act as R&T agent [Business Partner ID (BP ID) allocated by NSDL IN200432_ for the issue of Debentures amounting up to INR 16,00,00,000 /- (Indian Rupees Sixteen Crores Only).

We are pleased to accept the appointment as the Registrar and Share Transfer Agent of your esteemed company for providing single point connectivity.

We also agree for inclusion of our name as the RTA in the Company's offer document / any other document to be filed with the relevant authority as may be required.

Thanking You.
Yours Faithfully

For Skyline Financial Services Private Limited

Virender Kumar Rana

Digitally signed by Virender Kumar Rana
DN: c=IN, o=Personal, title=6382, pseudonym=J19g2plo63yfmxa50tcs4kzwihre7bqv, 2.5.4.20=58d804487e642359d37344abdd4c332f2e5bed3e88fed2e81cd490a0b9065dbc, postalCode=121002, st=Haryana, serialNumber=59fbafc0e63829cd8cbe6cf9b839c0c913179e58c8e594855edf47865f4e32c4, cn=Virender Kumar Rana
Date: 2026.01.06 15:39:13 +05'30'

Virender Kumar Rana
Director
Place: Delhi

CL/25-26/22674 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT/ INFORMATION MEMORANDUM

[In reference to Chapter II, Clause 2.2.4 of SEBI Master Circular for Debenture Trustees dated August 13, 2025]

To,
The Manager,
National Stock Exchange of India Limited.
Exchange Plaza, 5 Floor, Plot C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai 400 051.

Dear Sir / Madam,

SUB: ISSUE OF UP TO 16,000 (SIXTEEN THOUSAND) UNSUBORDINATED, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 10,000/- (INDIAN RUPEES TEN THOUSAND ONLY) EACH AND AN AGGREGATE FACE VALUE OF INR 16,00,00,000/- (INDIAN RUPEES SIXTEEN CRORES ONLY) ("DEBENTURES" OR "NCDS") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") FOR CASH AT PAR ON A FULLY PAID-UP BASIS BY IFL FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document / information memorandum and all disclosures made in the offer document / information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document / placement memorandum.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: January 08, 2026

For Catalyst Trusteeship Limited

KRINA RUPESH BHAVSAR

Digitally signed by KRINA RUPESH BHAVSAR
Date: 2026.01.08 18:46:58 +05'30'

Ms. Krina Bhavsar
Manager

AJAY RATTAN & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **IFL Housing Finance Limited**

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of **IFL Housing Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

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

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

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

AJAY RATTAN & CO. Chartered Accountants New Delhi

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

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



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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **'Annexure A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

AJAY RATTAN & CO. New Delhi Chartered Accountants

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

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

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vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 23523588BGUUYW2662

Place: New Delhi
Dated: 29.05.2023

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2023:

We report that:

1) Property Plant and Equipment and Intangible Assets

a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
b) The company is maintaining proper records showing full particulars of intangible assets.
c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee);
e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

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

3) Investments, Guarantee/Security, Loan and Advance

a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
b) The company has invested surplus funds in Mutual Funds and these investments are not prejudicial to the interest of the company.
c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
d) The total amount overdue for more than ninety days is Rs. 2,49,16,000/- and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;
e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.

AJAY RATTAN & CO. New Delhi Chartered Accountants

f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

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

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

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

7) Statutory Dues

a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.

8) Unrecorded Income

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

9) Repayment Of Dues

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

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;

b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;

c) The term loan taken by the company were applied for the purpose for which they were obtained.

d) Short-term loans raised by the company have not been utilised for long-term purposes.

e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;

f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

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

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

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

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

a) No fraud on or by the company has been noticed or reported during the year.

b) no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) No whistle-blower complaints have been received during the year by the company.

12) Nidhi Company

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

13) Transaction With Related Parties

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



14) Internal Audit System

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

15) Non-Cash Transaction with Director

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

16) Registration With RBI

a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
d) The Group does not have any CIC as part of the Group.

17) Cash Losses

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

18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

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

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



20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

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

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

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



CA. Varun Garg
Partner
Membership No. 090975
UDIN: 23523588BGUUYW2662

Place: New Delhi
Dated: 29.05.2023

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **IFL Housing Finance Limited** ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 23523588BGUUYW2662

Place: New Delhi
Dated: 29.05.2023

AJAY RATTAN & CO.
CHARTERED ACCOUNTANTS

Additional Auditor's Report

To,
The Board of Directors
IFL Housing Finance Limited
D-16, First Floor, Sector-14,
Prashant Vihar, Rohini
New Delhi 110085

Report on the Financial Statements

1. In addition to the report made under section 143 of the Companies Act, 2013 (the 'Act') on the financial statements of IFL Housing Finance Limited ('the Company') for the year ended 31st March 2023 and as required by the Master Direction – Non- Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 (the ' Directions'), we make a separate report to the Board of Directors of the Company on the matters specified in paragraphs 70 & 71 of the Directions to the extent applicable.

Management's and Board of Director's Responsibility for the financial statements

2. The Company's management and Board of Directors are 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 & fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

3. The Company's management is responsible for ensuring that the Company complies with the requirements of the Directions. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Directions.

Auditor's Responsibility

4. Pursuant to the requirements of the Directions, it is our responsibility to provide reasonable assurance on whether the Company has complied with the matters specified in the Directions to the extent applicable to the Company.

5. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.'

Conclusion

7. Based on the examinations of the financial statements as at and for the year ended March 31, 2023, books of accounts and relevant records of the Company and and according to the information and explanations given to us, we further report on the matters specified in Paragraph 70 & 71 of the Directions that:

70.1.1 The company has received the Certificate of Registration (COR) No. 12.0164.17 dated 12th December, 2017 from National Housing Bank. Following are the Principal business criteria for the company:-

The company provided more than 55% (As per notification no. RBI/2020-21/73, dated 17th February, 2021) of its total assets (netted off by intangible assets) in financing of housing loan. "Housing finance" for this purpose shall mean providing finance as stated at clauses (a) to (k) of Paragraph 4.1.16 of the directions.

The company provided more than 45% (As per notification no. RBI/2020-21/73, dated 17th February, 2021) out of its total assets (netted off by intangible assets) by way of housing finance for individuals as stated at clauses (a) to (e) of Paragraph 4.1.16 of the directions.

70.1.2 The company is meeting the Net Owed Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987.

70.1.3 The Company has complied with Section 29C of the National Housing Bank Act, 1987.

70.1.4 The total borrowings of the Company are within the limits prescribed under paragraph 27(2) of the directions.

70.1.5 Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that the company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirement, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/ investments as specified in the directions.

70.1.6 The capital adequacy ratio as disclosed in the half-yearly statutory return submitted to the National Housing Bank as per the directions issued by National Housing Bank in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR).

70.1.7 The Company has furnished to the National Housing Bank within the stipulated period the half-yearly statutory return, as specified in the directions issued by National Housing Bank.

70.1.8 Provisions relating to filing of quarterly statutory return on Statutory liquid assets (Schedule III) as specified in the directions issued by the NHB are not applicable on the company.



70.1.9 The Company has complied with the requirements contained in the directions, in the case of opening of new branches/ offices or in the case of closure of existing branches/ offices.

70.1.10 The company has complied with the provisions contained in Paragraph 3.1.3, Paragraph 3.1.4 and Paragraph 18 of the directions.

70.1.11 The Board of Directors of the company has passed a resolution for non-acceptance of any public deposits.

70.1.12 The Company has not accepted any public deposit during the year ended 31st March, 2023.

Restriction to use

8. This Report is addressed to and provided to the Board of Directors solely to comply with the aforesaid Direction and submission to NHB/RBI, if required and may not be suitable for any other purpose. Accordingly, our Report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 23523588BGUUYW2662

Place: New Delhi
Dated: 29.05.2023

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

BALANCE SHEET AS AT MARCH 31, 2023

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

Sr. No.	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS				
I	**Financial assets**			
	(a) Cash and cash equivalents	4a	437.91	169.63
	(b) Bank Balance other than Cash and cash equivalents	4b	782.48	1,102.04
	(c) Loans	5	24,940.34	14,558.71
	(d) Investments	6	100.50	202.92
	(e) Other financial assets	7	208.79	194.15
	Total Financial assets		**26,470.02**	**16,227.45**
II	**Non-financial assets**			
	(a) Deferred tax assets (net)	8	177.69	100.61
	(b) Property, plant and equipment	9	159.69	189.78
	(c) Right to use Asset	9	679.98	707.01
	(d) Intangible assets under development	10	-	25.61
	(e) Other intangible assets	9	92.33	74.53
	(f) Other non-financial assets	11	29.30	15.30
	Total Non-financial assets		**1,138.99**	**1,112.84**
	Total Assets		**27,609.01**	**17,340.29**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**Financial liabilities**			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	12	16,947.21	8,317.98
	(c) Other financial liabilities	13	1,053.77	887.16
	Total Financial liabilities		**18,000.98**	**9,205.14**
II	**Non-financial liabilities**			
	(a) Current tax liabilities (net)		86.82	36.11
	(b) Provisions	14	31.67	13.33
	(c) Deferred Tax Liabilities (Net)	8	-	-
	(d) Other non financial liabilities	15	1.70	41.70
	Total Non-financial liabilities		**120.19**	**91.13**
EQUITY				
	(a) Equity share capital	16	6,592.30	6,047.34
	(b) Other equity	17	2,895.54	1,996.68
	Total Equity		**9,487.84**	**8,044.02**
	Total Liabilities and Equity		**27,609.01**	**17,340.29**

Notes to the Ind AS financial statements 1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023
UDIN: 23523588BGVUYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Whole Time Director
DIN: 06607944

IFL HOUSING FINANCE LTD. NEW DELHI

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2023

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

Sr. No.	Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations			
	(i) Interest Income	18	4,216.85	2,174.45
	(ii) Fees and Commission Income	19	123.05	71.32
	(iv) Net Gain on Fair Value Changes	20	53.70	24.47
	(iii) Other Income From Operations	21	58.74	30.62
I	**Total Revenue From Operations**			
II	Other Income	22	124.36	46.86
III	**Total Income (I+II)**		**4,576.70**	**2,347.72**
	Expenses			
	Finance costs	23	1,703.50	537.70
	Impairment on Financial Instruments	24	56.19	30.72
	Employee benefits expenses	25	1,443.65	802.17
	Depreciation and amortisation expenses	9	235.93	159.90
	Other expenses	26	512.46	281.82
IV	**Total Expenses**		**3,951.73**	**1,812.31**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**624.97**	**535.41**
VI	Exceptional items		-	-
VII	**Profit/ (loss) before tax**		**624.97**	**535.41**
VIII	Less: Tax expense			
	Current tax	27	253.46	188.90
	Deferred tax (Net)	27	(75.88)	(56.07)
IX	**Net Profit/ (loss) after tax**		**447.39**	**402.58**
	Other Comprehensive Income			
	A. Items that will be not be reclassified to profit or loss			
	-Remeasurements of Defined Benefit Obligation		(4.77)	-
	B. Income tax relating to items that will not be reclassified to profit or loss		1.20	-
X	**Total Other Comprehensive Income (A+B)**		**(3.57)**	**-**
XI	**Total Comprehensive Income (IX+X)**		**443.82**	**402.58**
XII	**Earning Per Equity Share (EPS)**			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	28	0.73	0.70
	Diluted (in Rs.)	28	0.73	0.70

The accompanying notes are an integral part of the financial statements.
As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023

UDIN: 23523588BGUUYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Whole Time Director
DIN: 06607944

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M

IFL HOUSING FINANCE LTD. NEW DELHI

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2023

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

	Particulars	For the year ended on March 31, 2023	For the year ended on March 31, 2022
(I)	**Cash flow from Operating Activities**		
	Profit before tax	624.97	535.41
	Adjustments for:		
	Impairment Loss on Financial instruments	56.19	30.72
	Depreciation and amortisation expense	235.93	159.90
	Loss on Assets Written Off	-	1.05
	Re-measurements of Defined Benefit Obligation through OCI	(4.77)	-
	Gain on Fair value changes due to Fair Value through P&L- Realised	(53.20)	(21.54)
	Gain on Fair value changes due to Fair Value through P&L- Unrealised	(0.50)	(2.93)
	Interest income at amortised cost	(4,243.72)	(2,179.18)
	Fees and Commission Income	(123.05)	(71.32)
	Finance cost at amortised cost	1,703.50	537.70
	Cash inflow from Interest Income	4,071.65	2,059.67
	Cash inflow from Fees and Commission Income	618.51	307.99
	Cash outflow towards finance costs	(1,711.47)	(554.83)
	Cash generated from operation before working capital changes	**1,174.04**	**802.64**
	Working capital changes:		
	(Increase)/ decrease in trade receivables	-	-
	(Increase)/ decrease in loans	(10,834.52)	(5,934.28)
	(Increase)/ decrease in financial assets	(14.64)	(41.51)
	(Increase)/ decrease in non- financial assets	(14.00)	(1.65)
	Increase/ (decrease) in trade payables	-	(3.95)
	Increase/ (decrease) in other financial liabilities	222.48	147.85
	Increase/ (decrease) in provisions	18.34	13.33
	Increase/ (decrease) in non financial liabilities	(39.99)	35.44
		(9,488.29)	(4,982.16)
	Income Tax paid (Net of refunds)	(202.75)	(156.39)
	Net cash flow from operating activities (I)	**(9,691.04)**	**(5,138.55)**
(II)	**Cash flow from Investing Activities**		
	Increase in Bank Balance other than Cash & Cash Equivalents	319.56	(552.04)
	Sale/ (Purchase) of Property, plant & equipment	(77.04)	(229.27)
	Sale/ (Purchase) of investments	100.00	800.00
	Gain on sale of Investment at FVTPL	56.12	57.69
	Interest Earned on Fixed Deposits	73.32	75.21
	Net cash flow from investing activities (II)	**471.96**	**151.59**
(III)	**Cash flow from Financing Activities**		
	Net proceeds from issue of equity share capital	1,000.00	1,101.99
	Net proceeds from borrowings	8,706.90	3,763.05
	Interest expense on lease liabilities	(69.70)	(40.16)
	Lease Rentals Paid	(149.84)	(96.59)
	Net cash flow from financing activities (III)	**9,487.36**	**4,728.29**
	Net increase/(decrease) in cash and cash equivalents (I + II + III)	268.28	(258.67)
	Cash and Cash Equivalents at the beginning of the year	169.63	428.30
	Cash and Cash Equivalents at the end of the year (Note 4a)	**437.91**	**169.63**

The accompanying notes form an integral part of the Ind AS financial statements.

As per our report of even date

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

Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023

UDIN: 23523588BGUUYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal	**Ashish Bansal**
Managing Director	Whole Time Director
DIN: 01246420	DIN: 06607944
Prerna Matta Arora	**Vijay Kr. Dwivedi**
Chief Financial Officer	Company Secretary
PAN: BAMPM7263C	PAN: BRGPD6317M

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2023

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

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2021	5,44,68,000	5,446.80
Shares allotted through right issue during the year	60,05,400	600.54
As at March 31, 2022	6,04,73,400	6,047.34
Shares allotted through right issue during the year	54,49,600	544.96
As at March 31, 2023	6,59,23,000	6,592.30

b. Other Equity

Statement of Changes in Other Equity for the year ended March 31, 2023

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2022	321.18	566.15	1,109.35	-	1,996.68
Equity Shares issued during the year	-	455.04	-	-	455.04
Profit For the Year	-	-	447.39	-	447.39
Total Comprehensive Income for the year	-	-	-	(3.57)	(3.57)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987	89.48	-	(89.48)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2023	**410.66**	**1,021.19**	**1,467.26**	**(3.57)**	**2,895.54**

Statement of Changes in Other Equity for the year ended March 31, 2022

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2021	240.66	64.70	787.29	-	1,092.65
Equity Shares issued during the year	-	501.45	-	-	501.45
Profit For the Year	-	-	402.58	-	402.58
Total Comprehensive Income for the year	-	-	-	-	-
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 *	80.52	-	(80.52)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2022	**321.18**	**566.15**	**1,109.35**	**-**	**1,996.68**

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023

UDIN : 23523588BGUUYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Whole Time Director
DIN: 06607944

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M

IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

1. Corporate Information:

IFL HOUSING FINANCE LIMITED (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013 and has been carrying on business of providing loans to Retail Customers for Purchase and/or Construction of Residential Property, Repair and Renovation of Residential Property, along with Loan Against Property and Loan against Collateral of Gold Jewellery. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh and Haryana.

The financial statements have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 29, 2023.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable.

(b) Presentation of financial statements:

(i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.

(ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

(iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3D)
- Effective interest rate (EIR) [Refer note no. 3D)
- Impairment of financial assets [Refer note no. 3D)
- Provisions and contingent liabilities (Refer note no. 3H)
- Provision for tax expenses (Refer 3E)

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- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3F)

3. Summary of significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.

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- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

(B) Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.A.(i)].

(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

(C) Cash & cash equivalents:

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

(D) Financial instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

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(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De- recognition of Financial Assets:

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

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees,





commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.
Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

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

De-recognition of financial liabilities:

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

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

(iii) Offsetting of Financial Instrument:

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

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Value of collaterals, Age Group, Mortgage type and Education considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar

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characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI whichever is higher.

(E) Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax

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assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

(F) Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

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

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15

*Taken at 10 years in case of those assets where management thinks fit.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(G) Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period of ten years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

(H) Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

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Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

(I) Employee benefits:

(i) Short term employee benefits:

(a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:

- Defined Contribution Plan

(a) Provident Fund: The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees

(b) Employee State Insurance: The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

- Defined Benefit Plans

(a) Gratuity: The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.
The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

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Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

(b) **Leave Encashment:** The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(J) Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

(K) Earnings per share (EPS):

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

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

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

(L) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 in respect of Financial Instruments as under:-

(i) Ind AS 109- Financial Instruments

The amendment specifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.The Company has evaluated the amendment and there is no impact on its financial statements.

(ii) Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	118.88	110.61
Balance with banks:		
-In current accounts	169.03	58.55
-Remittance in Transit	-	0.47
In Other Deposit Accounts		
-In fixed deposits (maturities upto 3 months)	150.00	-
Total	**437.91**	**169.63**

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with bank (maturities more than 3 months)	-	50.00
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))		
-In fixed deposits (maturities more than 3 months)	782.48	1,052.04
Total	**782.48**	**1,102.04**

4.(b).(i) Fixed Deposit with bank under Lien

a.Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
b.Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to NHB for loan.
c. Fixed deposits of Rs. 31.88 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
d.Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to DCB for loan.
e.Fixed deposits of Rs. 568.60 Lakhs (P.Y. Rs. 950 Lakhs) against which Overdraft limit from AU Bank.
f. Fixed deposits of Rs. 1 lakhs (P.Y. Rs. 1.02 Lakhs) against Overdraft Facility from Federal Bank.
g.Fixed deposits of Rs. 1 lakhs (P.Y. Rs. 1.02 Lakhs) against Overdraft Facility from City Union Bank.

4.(b).(ii) The amount of Fixed deposits above does not include interest accrued of Rs 47.58 Lakhs as included separately in other financial assets- accrued interest on FD.

5. Loans

At Amortised Cost

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Term Loans		
Housing loans	14,709.01	8,559.55
Loan Against Property	1,783.43	2,205.06
Loan Against Shares	-	181.34
Loan Against Gold Jewellery	8,596.83	3,705.51
Total Gross (A) (I)	**25,089.27**	**14,651.46**
Less: Impairment Loss Allowance	148.93	92.75
Total Net (A) (II)	**24,940.34**	**14,558.71**
(B) (i) Secured by Tangible Assets	25,089.27	14,470.12
(ii) Secured by Intangible Assets	-	181.34
(ii) Unsecured	-	-
Total Gross (B) (I)	**25,089.27**	**14,651.46**
Less: Impairment Loss Allowance	148.93	92.75
Total Net (B) (II)	**24,940.34**	**14,558.71**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	25,089.27	14,651.46
Total Gross (C) (I)	**25,089.27**	**14,651.46**
Less: Impairment Loss Allowance	148.93	92.75
Total Net (C) (II)	**24,940.34**	**14,558.71**
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	-	-
Total Net (C) (II) and (III)	**24,940.34**	**14,558.71**

5.1 Loans granted to promotors, Directors, KMPS and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil

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

6. Investments

In India (at FVTPL)

Particulars	As at March 31, 2023	As at March 31, 2022
In Mutual Funds*		
A. At Fair Value through profit and loss	100.00	199.99
Add: Fair Value Gains	0.50	2.93
Total Gross	**100.50**	**202.92**
B. Impairment Loss Allowance	-	-
C. Net (A)- (B)	**100.50**	**202.92**

*** 100% of the investments in mutual funds are in Equity Oriented Mutual Funds as on 31st March 2023**

6.1 Details of Investments are as follows:

Mutual Funds as on March 31st, 2023

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	9,99,950	100.50
Total	**9,99,950**	**100.50**

Mutual Funds as on March 31st, 2022

Particulars	Units (in Nos.)	Amount
SBI Magnum Low Duration Fund	3,514	100.05
SBI Multicap Fund	9,99,950	102.87
Total	**10,03,464**	**202.92**

7. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit- Unsecured; Considered Good	37.00	35.75
Accrued interest		
-on FD	47.58	67.16
-on others	2.29	1.15
Balances with Govt Authorities	10.89	-
Cash Collateral (Deposits)	58.13	79.23
Others	52.90	10.86
Total	**208.79**	**194.15**

8. Deferred tax assets/(Liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance of Deferred Tax Asset	100.61	44.54
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	75.88	56.07
b. Changes in deferred tax recorded in other comprehensive Income	1.20	-
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	**177.69**	**100.61**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.54	0.61
Disallowances u/s 40A of the Income Tax Act, 1961	4.08	2.60
Impairment on financial instruments	(23.02)	23.34
Depreciation and amortisation expenses	9.09	2.90
Financial Instrument (Loans) measured at EIR	99.86	48.39
Financial Instrument (Borrowings) measured at EIR	(19.55)	(14.42)
Lease Liability Impact	5.06	5.08
Special Reserve Created u/s 36(1)(viii)	(0.79)	(11.16)
Unrealised net gain/loss on fair value changes	0.61	(0.74)
Others	-	(0.53)
Deferred Tax Assets	**75.88**	**56.07**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	1.20	-
Deferred Tax Assets	**1.20**	**-**

8.3 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

9. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2023:

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2022	Addition	Deduction/Sale	As at March 31, 2023	As at April 01, 2022	For the Year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, Plant and Equipment									
Furniture and fixtures	107.13	23.35	-	130.48	23.76	26.09	49.85	80.63	83.37
Vehicles	19.95	-	-	19.95	12.95	2.11	15.06	4.89	7.00
Office Equipments	63.59	16.04	0.09	79.54	22.26	20.02	42.28	37.27	41.34
Computers	85.16	9.96	-	95.12	39.09	32.46	71.55	23.57	46.07
Plant and Machinery	13.77	3.89	-	17.66	1.77	2.56	4.33	13.33	12.00
Sub Total	**289.60**	**53.24**	**0.09**	**342.75**	**99.83**	**83.24**	**183.07**	**159.69**	**189.78**
Previous Year	106.17	184.48	1.05	289.60	44.07	55.77	99.83	189.78	62.11
B. Right of use Assets									
Office Premises (Right of Use asset)	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
Sub Total	**817.86**	**93.97**	**-**	**911.84**	**110.85**	**121.00**	**231.86**	**679.98**	**707.01**
Previous Year	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
C. Intangible Assets									
Softwares	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
Sub Total	**130.57**	**49.50**	**-**	**180.06**	**56.04**	**31.69**	**87.73**	**92.33**	**74.52**
Previous Year	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2022:

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2021	Addition	Deduction/Sale	As at March 31, 2022	As at April 01, 2021	For the Year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A. Property, Plant and Equipment									
Furniture and fixtures	37.09	70.04	-	107.13	7.65	16.11	23.76	83.37	29.44
Vehicles	18.34	1.61	-	19.95	10.11	2.84	12.95	7.00	8.23
Office Equipments	23.25	41.22	0.88	63.59	8.92	13.34	22.26	41.34	14.33
Computers	27.49	57.84	0.17	85.16	17.39	21.70	39.09	46.07	10.10
Plant and Machinery	-	13.77	-	13.77	-	1.77	1.77	12.00	-
Sub Total	**106.17**	**184.48**	**1.05**	**289.60**	**44.07**	**55.77**	**99.83**	**189.78**	**62.11**
Previous Year	66.00	40.17	-	106.17	26.57	17.49	44.07	62.11	39.45
B. Right of use Assets									
Office Premises (Right of Use asset)	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
Sub Total	**146.42**	**671.44**	**-**	**817.86**	**32.34**	**78.51**	**110.85**	**707.01**	**114.08**
Previous Year	62.17	84.25	-	146.42	24.63	7.71	32.34	114.08	37.54
C. Intangible Assets									
Softwares	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95
Sub Total	**111.38**	**19.19**	**-**	**130.57**	**30.43**	**25.61**	**56.04**	**74.53**	**80.95**
Previous Year	70.75	40.63	-	111.38	10.80	19.63	30.43	80.95	59.95

Notes

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

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10. Intangible assets under development

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development (software)	-	25.61
Total	**-**	**25.61**

Intangible assets under development as on March 31, 2023

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

Intangible assets under development as on March 31, 2022

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	25.61	-	-	-
Software Development temporary suspended	-	-	-	-

11. Other non- financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Statutory Authorities	7.67	-
Prepaid expenses	21.63	15.30
Total	**29.30**	**15.30**

12 Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	5,175.65	4,564.09
- From Other Non-Banking Financial Companies	8,568.59	1,538.22
- From National Housing Bank	1,052.06	900.56
Overdraft:		
- From Banks	900.91	1,315.11
Total	**15,697.21**	**8,317.98**
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	1,250.00	-
Total	**1,250.00**	**-**
Out of Above:		
In India	**16,947.21**	**8,317.98**
Outside India	-	-

12.1 Nature of Security

a Term Loans from Banks are secured against hypothecation of present and future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.

b Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present and future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.

c The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present and future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.

d Overdraft Facility from Bank is against pledge of customers' gold with maximum margin of 25%, Corporate guarantee of holding company and personal guarantee of MD/Directors. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank and Federal Bank.

e Quarterly Returns filed with NHB are in agreement with the books of accounts.

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

g The company has taken unsecured loan of Rs 12,50,000,000/- from a Non- Banking Financial Company which is repayable on demand.

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

12.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2023

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,189.71	2,004.81	1,120.63	860.50	5,175.65
ROI 9.15%-14.00%					
From National Housing Bank (NHB)	254.49	403.79	101.77	292.01	1,052.06
ROI 6.55%-7.85%					
From Non-Banking Financial Companies	2,889.08	4,641.18	1,038.33	-	8,568.59
ROI 11.00%-14.00%					
Overdraft:					
From Banks	900.91	-	-	-	900.91
ROI 10.00%-10.75%					
Total Secured	**5,234.19**	**7,049.78**	**2,260.73**	**1,152.51**	**15,697.21**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	1,250.00	-	-	1,250.00
ROI 12.00%					
Total Unsecured	**-**	**1,250.00**	**-**	**-**	**1,250.00**
Total	**5,234.19**	**8,299.78**	**2,260.73**	**1,152.51**	**16,947.21**
EIR Impact					**155.37**
Total					**17,102.58**

Terms of Repayment of Term Loans and Debentures as at March 31, 2022

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	714.21	1,501.58	1,327.13	1,021.17	4,564.09
ROI 8.70%-9.23%					
From National Housing Bank (NHB)	288.00	576.00	36.56	-	900.56
ROI 6.55%-6.65%					
From Non-Banking Financial Companies	633.89	692.89	211.44	-	1,538.22
ROI 11.45%-12.60%					
Overdraft:					
From Banks	1,315.11	-	-	-	1,315.11
ROI 9.90%-10.75%					
Total	**2,951.20**	**2,770.47**	**1,575.13**	**1,021.17**	**8,317.98**
EIR Impact					**77.70**
Total					**8,395.68**

12.3 The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

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IFL HOUSING FINANCE LTD. NEW DELHI

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

13. Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Accrued But Not Due on Borrowings	77.77	3.74
Lease liability* (Note 13.a)	741.36	728.33
Expenses payable	144.30	117.58
Payable to Statutory Authorities	38.51	8.49
Other Payables	51.83	29.01
Total	**1,053.77**	**887.16**

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

a. Lease Liability Movement

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	728.33	114.65
Add:		
Addition during the year	105.76	680.98
Interest on lease Liability	69.70	40.16
Less:		
Derecognised during the year	(12.59)	(10.87)
Lease Rental Payments	(149.84)	(96.59)
Balance as at the end of the year	**741.36**	**728.33**

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2023	As at March 31, 2022
Less than One year	18.51	71.85
One to five Year	58.13	402.48
More than five Year	664.72	254.00
Total	**741.36**	**728.33**

14. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
-Gratuity	27.10	10.91
-Leave Encashment	4.57	2.42
Total	**31.67**	**13.33**

15. Other non financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Interest Received on Loans	1.70	41.70
Total	**1.70**	**41.70**

16. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	7,00,00,000	7,000.00	6,50,00,000	6,500.00
Issued, subscribed and fully paid- up shares	**6,59,23,000**	**6,592.30**	**6,04,73,400**	**6,047.34**

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	6,04,73,400	6,047.34	5,44,68,000	5,446.80
- Issued during the year (Right Issue)#	54,49,600	544.96	60,05,400	600.54
Total Outstanding at the end of the period	**6,59,23,000**	**6,592.30**	**6,04,73,400**	**6,047.34**

#The Company allotted equity shares of Rs. 10 each at a premium of Rs. 8.35 per share (P.Y. at a premium of Re. 8.35 per share) pursuant to the scheme of right issue.

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

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	3,97,14,980	65.67%

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

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	3,97,14,980	65.67%
Mr. Gopal Bansal	73,93,460	11.22%	53,88,000	8.91%
Mrs. Sunita Bansal	69,42,410	10.53%	62,23,070	10.29%

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

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

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	4,13,49,860	62.72%	3,97,14,980	65.67%
Mr. Gopal Bansal #	73,93,460	11.22%	53,88,000	8.91%
Ms. Sunita Bansal #	69,42,410	10.53%	62,23,070	10.29%
M/s Gopal Bansal (Huf) *	20,07,734	3.05%	20,07,734	3.32%
Mr. Virender Kumar Bansal *	19,07,361	2.89%	13,62,401	2.25%
Ms. Santosh Bansal *	19,07,361	2.89%	13,62,401	2.25%
Ms. Kriti Suri #	14,80,010	2.25%	14,80,010	2.45%
Mr. Ashish Bansal #	6,81,201	1.03%	6,81,201	1.13%
Ms. Nirmala Devi $	6,81,201	1.03%	6,81,201	1.13%
Mr. Naresh Kumar Bansal $	6,81,201	1.03%	6,81,201	1.13%
Ms. Charu Bansal $	6,81,201	1.03%	6,81,201	1.13%
M/s Arvind Kumar Bansal (Huf) *	2,09,990	0.32%	2,09,990	0.35%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%

* Relatives of Promoter Mr. Gopal Bansal
# having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.
$ Relatives of Promoter Mr. Ashish Bansal

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

17. Other Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
Statutory Reserve				
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)				
Balance as per last financial statements	321.18		240.66	
Add: Transferred during the year	89.48		80.52	
Net Balance of Special Reserve		**410.66**		**321.18**
Securities Premium				
Opening balance	566.15		64.70	
Add: addition/(deletion) during the year	455.04		501.45	
Closing balance		**1,021.19**		**566.15**
Retained earnings				
Opening balance	1,109.35		787.29	
Add: Profit/(loss) for the year	447.39		402.58	
Less: Appropriation to Statutory reserve	(89.48)		(80.52)	
Closing balance		**1,467.26**		**1,109.35**
Equity instruments through other comprehensive income				
Opening balance	-		-	
Add: addition/(deletion) during the year	(3.57)		-	
Closing balance		**(3.57)**		**-**
Total		**2,895.54**		**1,996.68**

17.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
On financial assets measured at amortised cost		
- on loans	4,143.53	2,099.24
- Interest on Deposits with Banks	73.32	75.21
Total	**4,216.85**	**2,174.45**

19. Fees and Commission Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Fees and Other Charges	123.05	71.32
Total	**123.05**	**71.32**

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20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial insturments designated through profit & loss	53.70	24.47
	53.70	24.47
(B) Others	-	-
Net gain on fair value changes	**53.70**	**24.47**
Fair Value Changes:		
- Realised	53.20	21.54
- Unrealised	0.50	2.93
Net gain on fair value changes	**53.70**	**24.47**

21. Other Income From Operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other Income From Operation	58.74	30.62
Total	**58.74**	**30.62**

22. Other Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other Interest Income	26.87	4.74
Advertisement Income	88.26	32.50
Other Misc. Income	9.23	9.62
Total	**124.36**	**46.86**

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23. Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
- Interest on borrowings	1,619.62	490.64
- Interest expense on lease liabilities	69.70	40.16
- Bank Charges	14.18	6.90
Total	**1,703.50**	**537.70**

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On Financials Instruments measured at amortised Cost		
- Loans	56.19	30.72
Total	**56.19**	**30.72**

25. Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	1,213.41	681.70
Contribution to Provident and Other Funds	90.33	56.60
Staff Welfare Expenses	22.41	11.34
Other Benefits	117.50	52.53
Total	**1,443.65**	**802.17**

26. Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement expenses	16.21	15.02
Payments to Auditors (refer Note 26.1)	2.21	1.57
Insurance Expense		
- Car Insurance	0.02	0.22
- Office Insurance	27.42	12.51
Commission expenses	5.07	0.55
Conveyance expenses	75.44	38.92
Communication Expense	8.07	4.01
Director's Sitting Fees	1.66	2.35
Documentation & stamp charges	1.89	0.92
Document Handling & Storage Expense	6.25	2.23
Donations		
- for Corporate Social Responsibility (refer Note 26.2)	11.50	7.00
Fee & subscriptions	31.09	7.41
Interest on government dues	0.27	0.44
Legal & technical charges	71.92	38.49
Branch opening expenses	0.02	0.26
Professional charges	43.64	30.41
Printing & Stationery	21.82	16.38
Power & Fuel	23.19	9.70
Postage & Courier	11.41	5.19
Rent expenses	40.97	12.80
Repair & Maintenance		
- Office Repair & Maintenance	8.83	11.38
- Vehicle Repair & Maintenance	0.72	1.06
- Computer Repair & Maintenance	1.12	2.71
Software expenses	35.64	28.77
Server Maintenance Charges	7.02	2.78
Tour & travelling expenses	7.63	3.24
Other expenses	51.43	25.50
Total	**512.46**	**281.82**

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
- for statutory audit	1.36	0.89
- for tax audit	0.44	0.30
- for certification fees	0.41	0.38
Total	**2.21**	**1.57**

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

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
For Corporate Social Responsibility	11.50	7.00
Total	**11.50**	**7.00**

26.2.1

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Gross amount required to be spent by the Company during the year	11.50	9.36
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	-	2.50
d) Amount of Expenditure incurred during the year	11.50	7.00
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	-	-
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	253.46	188.90
Adjustment in respect of current income tax of prior years	-	-
Deferred Tax		
Deferred Tax Charge	(75.88)	(40.45)
Adjustment in respect of prior Year	-	(15.62)
Income tax expense reported in Statement of Profit and Loss	**177.58**	**132.83**

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and year ended March 31, 2022 is, as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	624.97	535.41
At India's statutory income tax rate of 25.168% (2021: 25.168%)	157.30	134.75
Reconciling Items		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	11.95	11.16
Corporate Social Responsibility and Others	8.33	(13.08)
Income tax expense reported in the Statement of Profit and Loss	**177.58**	**132.83**

28. Earnings per Equity share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to ordinary equity holders	447.39	402.58
Weighted average number of equity shares for basic earnings per share	610.71	573.54
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	610.71	573.54
Earnings per equity share:		
Basic earnings per share (Rs.)	**0.73**	**0.70**
Diluted earnings per share (Rs.)	**0.73**	**0.70**

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29. Special reserve:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 47.49 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 41.99 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:

(i) Defined Contribution Plan:

a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 64.44 Lakhs (March 31, 2022: Rs. 37.47 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.

b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 14.40 lakhs (March 31, 2022: Rs. 8.22 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

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

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

Net Liability/(assets) recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the end	27.09	10.91

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Service Cost	10.75	10.91
Net Interest Cost	0.67	0
Total expense recognised in the employee benefit expense	11.42	10.91

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

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Present value of obligation as at the beginning of the year	10.91	NA
Service cost	10.75	10.91
Net Interest Cost	0.67	0
Re-measurements	4.76	0

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Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	**27.09**	**10.91**

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

Particular	As at March 31, 2023	As at March 31, 2022
i) Discount rate	7.36%	6.19%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100.00%

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

b. Leave Encashment: The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 4.56 Lakhs.

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	437.91	-	437.91	169.63	-	169.63
(b) Bank Balance other Cash and cash equivalents	628.98	153.50	782.48	1,002.04	100.00	1,102.04
(c) Loans*	10,569.42	14,370.92	24,940.34	4,958.19	9,600.52	14,558.71
(d) Investments	100.50	-	100.50	202.92	-	202.92
(e) Other financial assets	113.67	95.12	208.79	103.46	90.69	194.15
Total Financial assets	**11,850.48**	**14,619.54**	**26,470.02**	**6,436.24**	**9,791.21**	**16,227.45**
Non-financial assets						
(a) Deferred tax assets (net)	-	177.69	177.69	-	100.61	100.61
(b) Property, plant and equipment	-	159.69	159.69	-	189.78	189.78

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(c) Right to use Asset	16.91	633.07	679.98	108.44	598.57	707.01
(d)Intangible assets under development	-	-	-	25.61	-	25.61
(e) Other intangible assets	-	92.33	92.33	-	74.53	74.53
(f) Other non-financial assets	29.30	-	29.30	15.30	-	15.30
Total Non-financial assets	**46.21**	**1,092.78**	**1,139.99**	**149.35**	**963.49**	**1,112,84**
Total Assets	**11,896.69**	**15,712.32**	**27,609.01**	**6,585.59**	**10,754.70**	**17,340.29**

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

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Borrowings (other than debt securities)	5,234.19	11,713.02	16,947.21	2,951.21	5,366.77	8,317.98
(c) Other financial liabilities	330.92	722.85	1,053.77	201.65	685.50	887.15
Total Financial liabilities	**5,565.11**	**12,435.87**	**18,000.98**	**3,152.87**	**6,052.27**	**9,205.14**
Non-financial liabilities						
(a) Current tax liabilities (net)	86.82	-	86.82	36.11	-	36.11
(b) Provisions	4.57	27.10	31.67	2.42	10.91	13.33
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non financial liabilities	-	1.70	1.70	0.02	41.68	41.70
Total Non-financial liabilities	**91.39**	**28.80**	**120.19**	**38.55**	**52.59**	**91.14**
(a) Equity share capital	-	6,592.30	6,592.30	-	6,047.34	6,047.34
(b) Other equity	-	2,895.54	2,895.54	-	1,996.68	1,996.68
Total Equity	**-**	**9,487.84**	**9,487.84**	**-**	**8,044.02**	**8,044.02**
Total Liabilities and Equity	**5,656.50**	**21,952.51**	**27,609.01**	**3,191.41**	**14,148.88**	**17,340.29**

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32. Contingent liabilities and commitments:

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2023	As at March 31, 2022
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	**992.21**	**856.39**
	-Towards sanction pending disbursement	164.29	128.36
	-Towards part disbursement	827.92	728.03
(V)	Pending capital commitment	-	-

33. Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I capital	8,537.84	7,136.26
Tier II capital	66.83	52.38
Total capital (Tier I + Tier II)	**8,604.67**	**7,188.64**
Adjusted value of funded risk assets i.e. On Balance Sheet Item	15,790.31	9,540.81
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	496.10	428.20
Total Risk weighted assets	**16,286.42**	**9,969.01**
Tier I capital ratio	52.42%	71.58%
Tier II capital ratio	0.41%	0.53%
Total capital ratio	**52.83%**	**72.11%**

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company determines fair values of its financial instruments according to the following hierarchy:

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Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	100.50	-	-	100.50

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2022 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	202.92	-	-	202.92

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss : For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2023	AS AT MARCH 31, 2022	AS AT MARCH 31, 2023	AS AT MARCH 31, 2022
Financial assets					
Cash and cash equivalents	1	437.91	169.63	437.91	169.63
Bank Balance other Cash and cash equivalents	1	782.48	1102.04	782.48	1102.04
Loans	3	24,940.34	14,558.71	24,940.34	14,558.71
Other financial assets	3	208.79	194.15	208.79	194.15
Financial assets		**26,369.52**	**16,024.53**	**26,369.52**	**16,024.53**
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-
(ii) total outstanding dues of creditors other than micro	3	-	-		-

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enterprises and small enterprises		-		-	
Borrowings (other than debt securities)	3	16,947.21	8,317.98	16,947.21	8,317.98
Other financial liabilities	3	1,053.77	887.16	1,053.77	887.16
Financial liabilities		**18,000.98**	**9,205.14**	**18,000.98**	**9,205.14**

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:
a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
b) Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

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

As at March 31, 2023:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	20,272.88	4,567.23	249.16
Allowance for ECL	66.83	27.06	55.05
ECL Coverage Ratio (%)	**0.33%**	**0.59%**	**22.09%**

As at March 31, 2022:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	11,865.49	2,598.32	187.64
Allowance for ECL	38.29	14.09	40.37
ECL Coverage Ratio (%)	**0.32%**	**0.54%**	**21.51%**

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2022	38.29	14.09	40.37
New Addition/Reduction during the year	28.54	12.97	14.68
Impairment Loss Allowance as at March 31, 2023	**66.83**	**27.06**	**55.05**

Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2023 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	437.91	-	-	-	-	-	-	-	437.91
Bank Balance other than Cash and cash equivalents	-	-	-	14.75	614.23	149.75	3.75	-	782.48
Loans	437.99	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	100.50	-	-	-	-	-	-	100.50
Other financial assets	12.06	-	-	13.04	105.38	35.46	5.85	37.00	208.79
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	338.56	331.65	333.41	1,094.77	3,135.80	8,299.78	2,260,73	1,152.51	16,947.21
Other financial liabilities	276.81	-	-	29.76	24.26	22.21	35.97	664.76	1,053.77

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CIN: U65910DL2015PLC285284
NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2022 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	169.63	-	-	-	-	-	-	-	169.63
Bank Balance other than Cash and cash equivalents	-	1,002.04	-	-	-	-	100.00	-	1,102.04
Loans	396.31	276.01	225.75	1,279.46	2,780.68	2,639.06	2,836.14	4,125.31	14,558.71
Investments	-	202.92	-	-	-	-	-	-	202.92
Other financial assets	1.15	67.15	8.79	8.79	17.58	22.33	57.50	10.86	194.15
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	114.62	85.40	85.40	980.58	1,685.21	2,770.48	1,575.12	1,021.17	8,317.98
Other financial liabilities	135.78	6.03	6.08	17.89	35.86	139.09	263.39	283.03	887.16

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C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at

fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings		
1% increase in interest rate	143.54	56.81
1% decrease in interest rate	(143.54)	(56.81)
On Floating Rate Loans and Advances		
1% increase in interest rate	20.17	27.40
1% decrease in interest rate	(20.17)	(27.40)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

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36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

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37. Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Ms. Sunita Bansal (Whole Time Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO)* Mr. Vijay Kumar Dwivedi (Company Secretary) Ms. Gunjan Jain Jindal (CFO)** Mr. Somesh Tewari (CEO)***
(iii)	Relatives of Key Management Personnel	Ms. Charu Bansal Mr. Naresh Kumar Bansal Ms. Nirmala Devi
(iv)	Other Related Parties	Daisy Distributors Private Limited Gopal Bansal HUF

* Resigned on 24.04.2022 and Appointed w.e.f 01.11.2022

** Appointed on 25.04.2022 and Resigned w.e.f 31.10.2022

*** Appointed w.e.f 10.03.2023

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure":

-

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2023	31/03/2022	31/03/2023	31/03/2022
			Amount	Amount	Amount	Amount
(i)	India Finsec Limited	Loan Taken	30.03	5.14	0	4.72
		Loan Repaid	36.73	0.56	0	0
		Interest Expense	2.19	0.16	0	0
		Corporate Guarantee Given by holding	7600.00	3300.00	18400.00	10800.00
(ii)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	17.61	17.24	1.50	1.50
		Allotment of Equity share	368.00	Nil	Nil	Nil
	Ms. Sunita Bansal	Rent paid	9.00	8.63	Nil	Nil
		Director remuneration	8.81	8.67	0.75	0.75
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil
		Allotment of Equity share	131.99	46.41	Nil	Nil
	Ms. Kriti Suri	Salary and Conveyance	8.79	8.65	0.75	0.75
	Ms. Ashish Bansal	Allotment of equity shares	Nil	56.88	Nil	Nil

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		Director remuneration	11.74	Nil	Nil	Nil
	Ms. Prerna Matta Arora	Salary	6.40	9.84	1.35	1.35
	Ms. Gunjan Jain Jindal	Salary	6.33	Nil	Nil	Nil
	Mr. Somesh Tewari	Salary	4.03	Nil	4.03	Nil
	Mr. Vijay Kr. Dwivedi	Salary	8.50	6.67	0.78	0.78
(iii)	Relatives of Key Management Personnel: -					
	Nirmala Devi	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Naresh Kr. Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Charu Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	India Finsec Limited	Allotment of Equity shares	300.00	Nil	Nil	Nil
(iv)	Other Related parties : -					
	Gopal Bansal HUF	Rent paid	9.00	8.63	Nil	Nil
		Allotment of Equity shares	Nil	Nil	Nil	Nil
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil

38. Segment reporting:

The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house, Loan against property and lending against collateral of gold jewellery. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2023	For the Year 31.03.2022	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	52.83%	72.11%	(19.28%)	Funding from Outside lenders.
(b) Tier I CRAR	Tier I Capital		52.42%	71.58%	(19.16%)	
(c) Tier II CRAR	Tier II Capital		0.41%	0.53%	(0.17%)	Nominal
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	The company's Inflows are more than outflows in the next 30 days, thus not applicable.			

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40. During the financial year ended March 31, 2022, the company has reclassified the following comparative figures which do not have material impact on the financial statements.

(Rs.in Lakhs)

Note No.	Note Description	Previously Reported Amount	Current Revised Numbers	Change
LIABILITIES				
1	Trade Payables ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12.36	-	(12.36)
2	Other financial liabilities	866.31	887.16	20.85
3	Other non - financial liabilities	50.19	41.70	(8.49)
NET CHANGE IN TOTAL LIABILITIES				**0.00**

41. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

42. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2022-23.

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IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

43. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	20,272.88	66.83	20,206.05	66.83	-
	Stage 2	4,567.23	27.06	4,540.17	12.83	14.23
Sub Total		**24,840.11**	**93.88**	**24,746.22**	**79.66**	**14.23**
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	197.14	31.43	165.71	30.32	1.11
Doubtful- upto 1 Year	Stage 3	29.34	7.66	21.68	7.50	0.16
1 to 3 Year	Stage 3	11.30	4.58	6.72	4.52	0.06
More than 3 Years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		**40.64**	**12.23**	**28.40**	**12.02**	**0.23**
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		**249.16**	**55.05**	**194.11**	**53.71**	**1.34**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		**-**	**-**	**-**	**-**	**-**
	Stage 1	**20,272.88**	**66.83**	**20,206.05**	**66.83**	**-**
	Stage 2	**4,567.23**	**27.06**	**4,540.17**	**12.83**	**14.23**
	Stage 3	**249.16**	**55.05**	**194.11**	**53.71**	**1.34**
Total		**25,089.27**	**148.93**	**24,940.33**	**133.37**	**15.56**

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

44. Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

Particulars	As at March 31, 2023	
Liabilities side	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits")		
(b) Deferred Credits	-	-
(c) Term Loans	17,024.98	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
Asset side	**Amount Outstanding as at March 31, 2023**	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	25,089.27	
(b) Unsecured	-	
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease	-	
(b) Operating Lease	-	
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire	-	
(b) Repossessed Assets	-	
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of Mutual Funds	100.50	
(iv) Government Securities	-	
(v) Others	-	
b. Unquoted		
(i) Shares		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of Mutual Funds	-	
(iv) Government Securities	-	
(v) Others	-	

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IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

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

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

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

(Please see Note 2 below)

Category	Amount Net of Provision as at March 31, 2023		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	24,940.34	-	24,940.34
Total	24,940.34	-	24,940.34

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

(Please see Note 3 below)

Category	Amount Net of Provision as at March 31, 2023		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	100.50	-	100.50
Total	100.50	-	100.50

** As per notified Accounting Standard (Please see Note 3)

8. Other Information

Particulars	Amount as at March 31, 2023
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	249.16
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	194.11
(iii) Asset acquired in satisfaction of Debt	-

Notes:

a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021.

b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021.

c. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

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

45. Additional Disclosures In Terms of NHB Guidelines

45.1 Principal Business Criteria:

45.2.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 55.17% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) (Previous Year was 52.09%).

b. Out of the total assets (netted off by intangible), 55.17% is by way of housing finance for individuals (Previous Year was 52.09%).

45.1.2 The Company has duly submitted to the Reserve Bank, a Board approved plan including a roadmap to fulfil the above-mentioned criteria and timeline for transition through letter dated March 19, 2021.

45.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2023	As at March 31, 2022
(i) CRAR (%)	52.83%	72.11%
(ii) CRAR-Tier I Capital (%)	52.42%	71.58%
(iii) CRAR-Tier II Capital (%)	0.41%	0.53%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

45.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	82.65	46.49
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act,1987	238.53	194.17
c) Total	321.18	240.66
Addition/Appropriation/Withdrawal during the year		
Add:		
a)Amount transferred u/s 29C of the NHB Act,1987	-	-
Current Year	41.99	36.16
Previous Year Short Created	-	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	47.49	44.35
Less:		
a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	124.64	82.65
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987	286.02	238.53
c) Total	**410.66**	**321.18**

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

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

45.4 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Value of Investments		
(i) Gross value of investments		
(a) In India	100.50	202.92
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	100.50	202.92
(b) Outside India	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

45.5 Derivatives

45.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The notional principal of swap agreements	Not Applicable	Not Applicable
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps $	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.
$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.
@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

45.5.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

45.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence Clause 51.5.3 is not Applicable

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

B. Quantitative Disclosure

Particulars	As at March 31, 2023		As at March 31, 2022	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

45.6 Securitisation

45.6.1

Particulars	As at March 31, 2023	As at March 31, 2022
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	Not Applicable
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	Not Applicable
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit Enhancements	Not Applicable	Not Applicable
a) Exposure to own securitizations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
a) Exposure to own securitisations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable

*Only the SPVs relating to outstanding securitisation transactions may be reported here

45.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at March 31, 2023	As at March 31, 2022
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.3 Details of Assignment transactions undertaken by HFCs

Particulars	As at March 31, 2023	As at March 31, 2022
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

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

45.6.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	As at March 31, 2023	As at March 31, 2022
1. (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Particulars	As at March 31, 2023	As at March 31, 2022
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

45.8 Exposure

45.8.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2023	As at March 31, 2022
Category		
A)Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	16,437.16	10,670.97
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	13,857.38	7,089.05
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	55.28	93.64
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**16,492.44**	**10,764.61**

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IFL HOUSING FINANCE LTD. NEW DELHI

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

45.8.2 Exposure to Capital Market

Particulars	As at March 31, 2023	As at March 31, 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	100.50	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	181.34
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**100.50**	**181.34**

45.8.3 Details of financing of parent company products

No financing of parent company products is done.

45.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

45.8.5 Unsecured Advances

The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

a.

The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of

b. such intangible, collateral.

45.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

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45.7 Asset Liability Management:

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2023

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	10.30	0.00	88.45	98.74	99.06	297.82	595.33	2004.81	1120.63	860.50	5175.65
Market Borrowings											
- FI	83.93	23.37	132.50	232.90	234.35	712.12	1,469.90	5,891.18	1,038.33	-	9818.59
- NHB	-	-	-	-	-	84.83	169.66	403.79	101.77	292.01	1,052.06
Overdraft From Banks	-	-	-	-	-	-	900.91	-	-	-	900.91
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	66.25	210.84	160.90	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	-	-	100.50	-	-	-	-	-	-	100.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2022

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	29.22	-	32.58	32.58	32.58	195.75	391.51	1,501.58	1,327.13	1,021.17	4,564.09
Market Borrowings											
- FI	-	-	52.82	52.82	52.82	158.47	316.94	692.89	211.44	-	1,538.22
- NHB	-	-	-	-	-	72.00	216.00	576.00	36.56	-	900.56
Overdraft From Banks	-	-	-	-	-	554.35	760.76	-	-	-	1,315.11
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	26.46	252.87	116.98	276.01	225.75	1,279.46	2,780.68	2,639.06	2,836.14	4,125.31	14,558.71
Investments	-	-	-	202.92	-	-	-	-	-	-	202.92
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

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IFL HOUSING FINANCE LTD. NEW DELHI

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

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

46. Miscellaneous

46.1 Registration obtained from other financial sector regulators

• Registration of the Company as LEI (Legal Entity Identifier) as required by RBI wide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2023.

• The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 201

46.2 Disclosure of Penalties imposed by NHB and other regulators

i) There is no penalty imposed by NHB or other regulator during FY 2022-23.

ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

46.3 Related party Transactions

Detailed information furnished under Note No. 37

46.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report.

46.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	Infomerics Valuation and Rat	IVR BBB-/Stable	11th August 2022	10th August 2023
Long Term Bank Facilities	Brickwork Ratings	BWR BBB-/Stable	17th August 2021	16th August 2022

46.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

46.7 Management

As provided in Board of Directors' Report.

46.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2023
Net Profit for the period (before tax)	624.97
Prior Period Items	-
Changes in Accounting Policies	Nil

46.9 Revenue Recognition

There is no deferment of revenue recognition.

46.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

46.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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IFL HOUSING FINANCE LTD. NEW DELHI

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

47. Additional Disclosures

47.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2023	As at March 31, 2022
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	253.46	188.90
3. Provision towards NPA	55.05	40.37
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	93.88	52.38
5. Provision for Sub-standard assets	31.43	25.25
6. Provision for Doubtful assets	12.24	3.74
7. Provision for Loss Assets*	11.38	11.38
8. Provision for Employee Benefits	31.67	13.33
9. Other Provision and Contingencies (with details)	-	-

* Loss Assets due to identified as fraud during the FY 21-22.

Break up of Loan & Advances and Provisions thereon	As at March 31, 2023		As at March 31, 2022	
	Housing Loan	Non- Housing Loan	Housing Loan	Non- Housing Loan
Standard Assets				
a) Total Outstanding Amount	14,496.14	10,343.97	8,438.16	6,025.66
b) Provisions made	50.21	43.67	26.38	26.00
Sub-Standard Assets				
a) Total Outstanding Amount	174.99	22.15	99.86	61.81
b) Provisions made	27.88	3.55	15.70	9.55
Doubtful Assets – Category-I				
a) Total Outstanding Amount	15.80	13.54	10.46	4.15
b) Provisions made	4.10	3.56	2.67	1.08
Doubtful Assets – Category-II				
a) Total Outstanding Amount	11.00	0.30	-	-
b) Provisions made	4.46	0.12	-	-
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

47.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

47.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category- I
One to three years	Category- II
More than three years	Category- III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2022	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2023
Taxation (Current Tax)	188.90	253.46	188.90	253.46
Standard Assets	52.38	93.88	52.38	93.88
Sub-Standard Asset	25.25	58.27	52.09	31.43
Doubtful Asset	3.74	9.43	0.93	12.24
Loss Asset	11.38	-	-	11.38
Employee Benefits	13.33	18.33	-	31.66

47.2 Draw Down from Reserves

Company has not drawn any amount from reserves.

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

47.3 Concentration of Public Deposits, Advances, Exposures and NPAs

47.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable

47.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans & advances to twenty largest borrowers	587.08	797.85
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	2.34%	5.48%

Note:
Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding.
Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

47.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to twenty largest borrowers/customers	587.08	797.85
Percentage of exposures of twenty largest borrowers / customers to total exposure of the	2.25%	5.18%

Note:
Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

47.3.4 Concentration of NPAs

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to top ten NPA accounts	122.16	95.78
Total exposure to NPA accounts	249.16	187.64

47.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2023	As at March 31, 2022
A. Housing Loans:		
1. Individuals	1.47%	1.42%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	2.08%	1.52%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.89%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

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

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Net NPAs to Net Advances (%)	0.78%	1.01%
(II) Movement of NPAs (Gross)		
a) Opening balance	187.64	64.64
b) Additions during the year	430.31	328.21
c) Reductions during the year	368.80	205.21
d) Closing balance	249.16	187.64
(III) Movement of Net NPAs		
a) Opening balance	147.27	44.96
b) Additions during the year	362.62	278.10
c) Reductions during the year	315.78	175.79
d) Closing balance	194.11	147.27
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	40.37	19.68
b) Provisions made during the year	67.69	50.11
c) Write-off/write-back of excess provisions	53.02	29.42
d) Closing balance	55.05	40.37

47.5 Overseas Assets

Particulars	As at March 31, 2023	As at March 31, 2021
Overseas Assets	-	-

47.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

47.7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Loan Outstanding against Collateral of Gold Jewellery	8,596.83	3,705.51
Gross Total Loans Outstanding	25,089.27	14,651.46
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	34.26%	25.29%

48. Disclosure of Complaints

Customers Complaints (In Numbers)

Particulars	As at March 31, 2023	As at March 31, 2022
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	4	1
c) No. of complaints redressed during the year	3	1
d) No. of complaints pending at the end of the year	1	-

49. Fraud Cases

49.1

Particulars	As at March 31, 2023		As at March 31, 2022	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	1	11.38	1	11.38
Additional Loan Accounts detected as Fraud during the Year	1	9.30	-	-
Amount Recovered during the year	-	1.60	-	-
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	2	19.08	1	11.38
Provision Created		11.38		11.38

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

50.1 The Company is not engaged in the business of Insurance Agency.

51. **During the year:**

51.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.

51.2 No prior period items occurred which has impact on profit and loss account.

51.3 No change in any accounting policy.

51.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

51.5 There was no withdrawal from Reserve fund.

51.6 Company has not accepted public deposits.

51.7 The company do not have an exposure to teaser rate loans.

52. There have been no events after the reporting date that requires disclosure in these financial statements.

53. The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

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54. On 12 November 2021, the Reserve Bank of India (RBI) has issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On 15 February 2022, the RBI had issued another circular no. RBI/2021-22/158 DOR.STR.REC.85/21.04.048/-2021-22 providing time till 30 September 2022. The said circular requires the loan account that has turned 90+DPD on any date should continue to be Gross NPA till such time all the overdue including principal and interest is paid. The Company was already in the same practice.

55. The Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID- 19 related Stress" as per RBI circular dated August 06, 2020 for any of its borrower accounts.

56. Hon'ble Supreme Court, in a public interest litigation vide an interim order dated September 03, 2020 ('interim order'), has directed those accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 were not been classified as NPA.

The Interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has continued with the asset classification of borrower accounts as per the extant RBI instructions/ IRAC norms. Thus, the company followed usual asset classification norms as per the extant guidelines / directives issued by Reserve Bank of India for entire Financial Year 2020-21, without any suspension or relief of any form therefrom. This resulted in an account which otherwise was required to be classified as non-performing even prior to this final order but was not marked by the company as NPA, would now be considered as non-performing on the respective actual date of NPA.

57. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

58. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023
UDIN : 23523588BGUUYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal	Ashish Bansal
Managing Director	Director
DIN: 01246420	DIN: 06607944

Prerna Matta Arora	Vijay Kr. Dwivedi
CFO	Company Secretary
PAN: BAMPM7263C	PAN: BRGPD6317M

IFL HOUSING FINANCE LTD. NEW DELHI

INDEPENDENT AUDITOR'S REPORT
To the Members of **IFL Housing Finance Limited**

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of **IFL Housing Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the **profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

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

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

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

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Other Branches at : Gurugram, Noida & Chandigarh

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **'Annexure A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

AJAY RATTAN & CO. New Delhi Chartered Accountants

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

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



vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31,2024 is as follows:

- Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1,2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

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



CA. Varun Garg
Partner
Membership No. 523588
UDIN:24523588BKGYWJ4496

Place: New Delhi
Dated: 28/05/2024

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024:

We report that:

1) Property Plant and Equipment and Intangible Assets

a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
b) The company is maintaining proper records showing full particulars of intangible assets.
c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee);
e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

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

3) Investments, Guarantee/Security, Loan and Advance

a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
b) The company has invested surplus funds in Mutual Funds and these investments are not prejudicial to the interest of the company.
c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
d) The total amount overdue for more than ninety days is Rs. 3,14,92,000/- and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;

AJAY RATTAN & CO. New Delhi Chartered Accountants

e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.

f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

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

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

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

7) Statutory Dues

a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.

8) Unrecorded Income

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

9) Repayment Of Dues

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

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;
b) The company has not been declared a willful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;
c) The term loan taken by the company were applied for the purpose for which they were obtained.
d) Short-term loans raised by the company have not been utilized for long-term purposes.
e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;
f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

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

a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

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

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

12) Nidhi Company

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

13) Transaction With Related Parties



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

14) Internal Audit System

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

15) Non-Cash Transaction with Director

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

16) Registration With RBI

a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
d) The Group does not have any CIC as part of the Group.

17) Cash Losses

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

18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

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

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

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

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

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



CA. Varun Garg
Partner
Membership No. 090975
UDIN:24523588BKGYWJ4496

Place: New Delhi
Dated: 28/05/2024

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **IFL Housing Finance Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKGYWJ4496

Place: New Delhi
Dated: 28/05/2024

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

BALANCE SHEET AS AT MARCH 31, 2024

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

Sr.	Particulars	Notes	As at March 31, 2024	As at March 31, 2023
	ASSETS			
I	**Financial assets**			
	(a) Cash and cash equivalents	4a	217.74	437.91
	(b) Bank Balance other than Cash and cash equivalents	4b	893.88	782.48
	(c) Loans	5	27,712.68	24,940.34
	(d) Investments	6	-	100.50
	(e) Other financial assets	7	135.30	208.79
	Total Financial assets		**28,959.60**	**26,470.02**
II	**Non-financial assets**			
	(a) Deferred tax assets (net)	8	195.57	177.69
	(b) Property, plant and equipment	9	154.14	159.69
	(c) Right to use Asset	9	621.03	679.98
	(d) Intangible assets under development	10	-	-
	(e) Other intangible assets	9	92.90	92.33
	(f) Other non-financial assets	11	28.27	29.30
	Total Non-financial assets		**1,091.91**	**1,138.99**
	Total Assets		**30,051.51**	**27,609.01**
	LIABILITIES AND EQUITY			
	LIABILITIES			
I	**Financial liabilities**			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	12	18,241.97	16,947.21
	(c) Other financial liabilities	13	960.05	1,053.77
	Total Financial liabilities		**19,202.02**	**18,000.98**
II	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	14	101.51	86.82
	(b) Provisions	8	42.67	31.67
	(c) Deferred Tax Liabilities (Net)	15	-	-
	(d) Other non financial liabilities		1.70	1.70
	Total Non-financial liabilities		**145.88**	**120.19**
	EQUITY			
	(a) Equity share capital	16	6,592.30	6,592.30
	(b) Other equity	17	4,111.31	2,895.54
	Total Equity		**10,703.61**	**9,487.84**
	Total Liabilities and Equity		**30,051.51**	**27,609.01**

Notes to the Ind AS financial statements 1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

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

AJAY RATTAN & CO. Chartered Accountants New Delhi

CA Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKGYUJ4496
New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H

IFL HOUSING FINANCE LTD. NEW DELHI

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2024

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

Sr.	Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
	Revenue from operations			
	(i) Interest Income	18	6,083.59	4,216.85
	(ii) Fees and Commission Income	19	195.49	123.05
	(iv) Net Gain on Fair Value Changes	20	11.97	53.70
	(iii) Other Income From Operations	21	42.46	58.74
I	**Total Revenue From Operations**		6,333.51	4,452.34
II	Other Income	22	44.03	124.36
III	**Total Income (I+II)**		**6,377.54**	**4,576.70**
	Expenses			
	Finance costs	23	2,326.37	1,703.50
	Impairment on Financial Instruments	24	48.79	56.19
	Employee benefits expenses	25	1,437.39	1,443.65
	Depreciation and amortisation expenses	9	208.58	235.93
	Other expenses	26	751.38	512.46
IV	**Total Expenses**		**4,772.52**	**3,951.73**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**1,605.02**	**624.97**
VI	Exceptional items		-	-
VII	**Profit/ (loss) before tax**		**1,605.02**	**624.97**
VIII	Less: Tax expense			
	Current tax	27	407.96	253.46
	Deferred tax (Net)		(18.09)	(75.88)
IX	**Net Profit/ (loss) after tax**		**1,215.15**	**447.39**
	Other Comprehensive Income			
	A. Items			
	-Remeasurements of Defined Benefit Obligation		0.83	(4.77)
	B. Income tax relating to items that will not be reclassified to profit or loss		(0.21)	1.20
X	**Total Other Comprehensive Income (A+B)**		**0.62**	**(3.57)**
XI	**Total Comprehensive Income (IX+X)**		**1,215.77**	**443.82**
XII	**Earning Per Equity Share (EPS)**	28		
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)		1.84	0.73
	Diluted (in Rs.)		1.84	0.73

The accompanying notes are an integral part of the financial statements.

As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKGYWJ4496
New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H

IFL HOUSING FINANCE LTD. NEW DELHI

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2024

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

Particulars		For the year ended on March 31, 2024	For the year ended on March 31, 2023
(I)	**Cash flow from Operating Activities**		
	Profit before tax	1,605.02	624.97
	Adjustments for:		
	Impairment Loss on Financial instruments	48.79	56.18
	Depreciation and amortisation expense	208.58	235.93
	Loss on Assets Written Off	-	-
	Re-measurements of Defined Benefit Obligation through OCI	0.83	(4.77)
	Gain on Fair value changes due to Fair Value through P&L- Realised	(11.97)	(53.19)
	Gain on Fair value changes due to Fair Value through P&L- Unrealised	-	(0.50)
	Interest Income at amortised cost	(6,086.97)	(4,243.72)
	Fees and Commission Income	(195.49)	(123.06)
	Finance cost at amortised cost	2,326.37	1,703.48
	Cash inflow from Interest Income	5,793.11	4,071.65
	Cash inflow from Fees and Commission Income	434.91	618.52
	Cash outflow towards finance costs	(2,258.34)	(1,711.45)
	Cash generated from operation before working capital changes	**1,864.85**	**1,174.05**
	Working capital changes:		
	(Increase)/ decrease in trade receivables	-	-
	(Increase)/ decrease in loans	(2,851.19)	(10,834.51)
	(Increase)/ decrease in financial assets	73.49	(14.65)
	(Increase)/ decrease in non- financial assets	1.03	(14.01)
	Increase/ (decrease) in trade payables	-	-
	Increase/ (decrease) in other financial liabilities	(5.96)	222.47
	Increase/ (decrease) in provisions	11.00	18.34
	Increase/ (decrease) in non financial liabilities	0.00	(39.99)
	Income Tax paid (Net of refunds)	(906.78)	(9,488.30)
	Net cash flow from operating activities (I)	(393.27)	(202.75)
		(1,300.05)	**(9,691.05)**
(II)	**Cash flow from Investing Activities**		
	Increase in Bank Balance other than Cash & Cash Equivalents	(111.40)	319.57
	Sale/ (Purchase) of Property, plant & equipment	(82.79)	(77.04)
	Sale/ (Purchase) of investments	100.00	100.01
	Gain on sale of investment at FVTPL	12.47	56.11
	Interest Earned on Fixed Deposits	84.51	73.33
	Net cash flow from investing activities (II)	**2.79**	**471.98**
(III)	**Cash flow from Financing Activities**		
	Net proceeds from issue of equity share capital	-	1,000.00
	Net proceeds from borrowings	1,290.31	8,706.90
	Interest expense on lease liabilities	(63.58)	(69.70)
	Lease Rentals Paid	(149.63)	(149.84)
	Net cash flow from financing activities (III)	**1,077.09**	**9,487.36**
	Net increase/(decrease) in cash and cash equivalents (I + II + III)	(220.17)	268.29
	Cash and Cash Equivalents at the beginning of the year	437.91	169.63
	Cash and Cash Equivalents at the end of the year (Note 4a)	**217.73**	**437.91**

The accompanying notes form an integral part of the Ind AS financial statements.

As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKGYWJ4496
New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

IFL HOUSING FINANCE LTD. NEW DELHI

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2024

a. Equity Share Capital

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

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2022	6,04,73,400	6,047.34
Shares allotted through right issue during the year	54,49,600	544.96
As at March 31, 2023	6,59,23,000	6,592.30
Shares allotted through right issue during the year	-	-
As at March 31, 2024	6,59,23,000	6,592.30

b. Other Equity

Statement of Changes in Other Equity for the year ended March 31, 2024

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	1,215.15	-	1,215.15
Total Comprehensive Income for the year	-	-	-	0.62	0.62
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987	243.03	-	(243.03)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2024	**653.69**	**1,021.19**	**2,439.38**	**(2.95)**	**4,111.31**

Statement of Changes in Other Equity for the year ended March 31, 2023

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2022	321.18	566.15	1,109.35	-	1,996.68
Equity Shares issued during the year	-	455.04	-	-	455.04
Profit For the Year	-	-	447.39	-	447.39
Total Comprehensive Income for the year	-	-	-	(3.57)	(3.57)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 *	89.48	-	(89.48)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2023	**410.66**	**1,021.19**	**1,467.26**	**(3.57)**	**2,895.54**

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

CA Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKG4WJ4496
New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H

IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

1. Corporate Information:

IFL HOUSING FINANCE LIMITED (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013 and has been carrying on business of providing loans to Retail Customers for Purchase and/or Construction of Residential Property, Repair and Renovation of Residential Property, along with Loan Against Property and Loan against Collateral of Gold Jewellery. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh and Haryana.

The financial statements have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 28, 2024.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable.

(b) Presentation of financial statements:

(i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.

(ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

(iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3D)
- Effective interest rate (EIR) [Refer note no. 3D)
- Impairment of financial assets [Refer note no. 3D)
- Provisions and contingent liabilities (Refer note no. 3H)
- Provision for tax expenses (Refer 3E)

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- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3F)

3. Summary of Material accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.

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- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

(B) Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.A.(i)].

(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

(C) Cash & cash equivalents:

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

(D) Financial Instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

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(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De- recognition of Financial Assets:

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

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees,





commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

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

De-recognition of financial liabilities:

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

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

(iii) Offsetting of Financial Instrument:

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

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Value of collaterals, Age Group and Mortgage type considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar

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characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI whichever is higher.

(E) Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax

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assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

(F) Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

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

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15

*Taken at 10 years in case of those assets where management thinks fit.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(G) Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

(H) Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

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Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

(I) Employee benefits:

(i) Short term employee benefits:

(a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:

- Defined Contribution Plan

(a) Provident Fund: The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees

(b) Employee State Insurance: The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

- Defined Benefit Plans

(a) Gratuity: The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.
The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

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Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

(b) Leave Encashment: The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(J) Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

(K) Earnings per share (EPS):

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

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





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

(L) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 in respect of Financial Instruments as under:-

(i) Ind AS 109- Financial Instruments

The amendment specifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.The Company has evaluated the amendment and there is no impact on its financial statements.

(ii) Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	187.67	118.88
Balance with banks:		
-In current accounts	30.07	169.03
-Remittance in Transit	-	-
In Other Deposit Accounts		
-In fixed deposits (maturities upto 3 months)	-	150.00
Total	**217.74**	**437.91**

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit with bank (maturities more than 3 months)	-	-
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))		
-In fixed deposits (maturities upto 3 months)	5.00	-
-In fixed deposits (maturities more than 3 months)	888.88	782.48
Total	893.88	782.48

4.(b).(i) Fixed Deposit with bank under Lien

a. Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
b. Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. 50 Lakhs) against which Bank Guarantee is being given to NHB for loan.
c. Fixed deposits of Rs. 31.88 Lakhs (P.Y.Rs. 31.88 Lakhs)against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
d. Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. 30 Lakhs) against which Bank Guarantee is being given to DCB for loan.
e. Fixed deposits of Rs. 510 Lakhs (P.Y. Rs. 568.60 Lakhs) against which Overdraft limit from AU Bank.
f. Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from Federal Bank.
g. Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from City Union Bank.
h. Fixed deposits of Rs 150 Lakhs (P.Y Rs 0 Lakhs) against Overdraft Facility from ICICI Bank.
i. Fixed deposits of Rs. 20 Lakhs (P.Y Rs 0 Lakhs) against which Bank Gurantee is being given to Bandhan Bank.

5. Loans

At Amortised Cost

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Term Loans		
Housing loans	15,065.02	14,709.01
Loan Against Property	1,276.22	1,783.43
Loan Against Shares	-	-
Loan Against Gold Jewellery	11,569.16	8,596.83
Total Gross (A) (I)	**27,910.40**	**25,089.27**
Less: Impairment Loss Allowance	197.72	148.93
Total Net (A) (II)	**27,712.68**	**24,940.34**
(B) (i) Secured by Tangible Assets	27,910.40	25,089.27
(ii) Secured by Intangible Assets	-	-
(ii) Unsecured	-	-
Total Gross (B) (I)	**27,910.40**	**25,089.27**
Less: Impairment Loss Allowance	197.72	148.93
Total Net (B) (II)	**27,712.68**	**24,940.34**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	27,910.40	25,089.27
Total Gross (C) (I)	**27,910.40**	**25,089.27**
Less: Impairment Loss Allowance	197.72	148.93
Total Net (C) (II)	**27,712.68**	**24,940.34**
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	-	-
Total Net (C) (II) and (III)	**27,712.68**	**24,940.34**

5.1 Loans granted to promotors, Directors, KMPS and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil

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

6. Investments

In India (at FVTPL)

Particulars	As at March 31, 2024	As at March 31, 2023
In Mutual Funds*		
A. At Fair Value through profit and loss	-	100.00
Add: Fair Value Gains	-	0.50
Total Gross	-	100.50
B. Impairment Loss Allowance	-	-
C. Net (A)- (B)	-	100.50

6.1 Details of Investments are as follows:

Mutual Funds as on March 31st, 2024

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	-	-
Total	-	-

Mutual Funds as on March 31st, 2023

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	9,99,950	100.50
Total	9,99,950	100.50

7. Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit- Unsecured; Considered Good	46.50	37.00
Accrued interest		
-on FD	35.82	47.58
-on others	1.21	2.29
Balances with Govt Authorities	0.20	10.89
Cash Collateral (Deposits)	35.63	58.13
Others	15.94	52.90
Total	135.30	208.79

8. Deferred tax assets/(Liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance of Deferred Tax Asset	177.69	100.61
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	18.09	75.88
b. Changes in deferred tax recorded in other comprehensive Income	(0.21)	1.20
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	195.57	177.69

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

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.53	0.54
Disallowances u/s 40A of the Income Tax Act, 1961	2.24	4.08
Impairment on financial instruments	(0.17)	(23.02)
Depreciation and amortisation expenses	3.86	9.09
Financial Instrument (Loans) measured at EIR	7.57	99.86
Financial Instrument (Borrowings) measured at EIR	1.12	(19.55)
Lease Liability Impact	(1.53)	5.06
Special Reserve Created u/s 36(1)(VIII)	4.34	(0.79)
Unrealised net gain/loss on fair value changes	0.13	0.61
Others	-	-
Deferred Tax Assets	18.09	75.88

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

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	(0.21)	1.20
Deferred Tax Assets	(0.21)	1.20

8.3 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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9. **Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2024:**

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

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2023	Addition	Deduction/Sale	As at March 31, 2024	As at April 01, 2023	For the Year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
A. Property, Plant and Equipment									
Furniture and fixtures	130.48	27.17	-	157.65	49.85	22.48	72.33	85.31	80.63
Vehicles	19.95	11.06	-	31.01	15.06	2.75	17.81	13.20	4.89
Office Equipments	79.54	8.81	-	88.35	42.28	14.97	57.25	31.11	37.27
Computers	95.12	7.37	-	102.49	71.55	17.33	88.88	13.61	23.57
Plant and Machinery	17.66	-	-	17.66	4.33	2.42	6.75	10.91	13.33
Sub Total	**342.75**	**54.41**	-	**397.16**	**183.07**	**59.95**	**243.02**	**154.14**	**159.69**
Previous Year	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69	189.78
B. Right of use Assets									
Office Premises (Right of Use asset)	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03	679.98
Sub Total	**911.84**	**61.87**	-	**973.71**	**231.86**	**120.82**	**352.68**	**621.03**	**679.98**
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90	92.32
Sub Total	**180.06**	**28.38**	-	**208.43**	**87.73**	**27.82**	**115.55**	**92.90**	**92.32**
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2023:

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2022	Addition	Deduction/Sale	As at March 31, 2023	As at April 01, 2022	For the Year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, Plant and Equipment									
Furniture and fixtures	107.13	23.35	-	130.48	23.76	26.09	49.85	80.63	83.37
Vehicles	19.95	-	-	19.95	12.95	2.11	15.06	4.89	7.00
Office Equipments	63.59	16.04	0.09	79.54	22.26	20.02	42.28	37.27	41.34
Computers	85.16	9.96	-	95.12	39.09	32.46	71.55	23.57	46.07
Plant and Machinery	13.77	3.89	-	17.66	1.77	2.56	4.33	13.33	12.00
Sub Total	**289.60**	**53.24**	**0.09**	**342.75**	**99.83**	**83.24**	**183.07**	**159.69**	**189.78**
Previous Year	106.17	184.48	1.05	289.60	44.07	55.77	99.83	189.78	62.11
B. Right of use Assets									
Office Premises (Right of Use asset)	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
Sub Total	**817.86**	**93.97**	-	**911.84**	**110.85**	**121.00**	**231.86**	**679.98**	**707.01**
Previous Year	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
C. Intangible Assets									
Softwares	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
Sub Total	**130.57**	**49.50**	-	**180.06**	**56.04**	**31.69**	**87.73**	**92.33**	**74.52**
Previous Year	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95

Notes

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

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10. Intangible assets under development

Particulars	As at March 31, 2024	As at March 31, 2023
Intangible assets under development (software)	-	-
Total	-	-

Intangible assets under development as on March 31, 2024

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

Intangible assets under development as on March 31, 2023

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

11. Other non- financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Statutory Authorities	0.44	7.67
Prepaid expenses	27.83	21.63
Total	**28.27**	**29.30**

12. Borrowings (other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	5,139.02	5,175.65
- From Other Non-Banking Financial Companies	8,725.81	8,568.59
- From National Housing Bank	627.92	1,052.06
Overdraft:		
- From Banks	2,003.58	900.91
Total	**16,496.33**	**15,697.21**
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	1,745.64	1,250.00
Total	**1,745.64**	**1,250.00**
Out of Above:		
In India	**18,241.97**	**16,947.21**
Outside India	-	-

12.1 Nature of Security

a Term Loans from Banks are secured against hypothecation of present / future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.

b Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.

c The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present / future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.





d Overdraft Facility from Federal Bank, CUB, CSB and SIB is against pledge of customers' gold with maximum margin of 25% and Overdraft facility from ICICI Bank is DLOD with security cover of 1.25 times maintained through receivables. Corporate guarantee of holding company and personal guarantee of MD/Directors is given in these Overdraft facilities. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank and Federal Bank and Rs 1.5 Crore with ICICI Bank. Further, OD with Bandhan Bank amounting to INR 1 crore is without any collateral or guarantee and was granted along with its Term Loan.

e Quarterly Returns filed with NHB are in agreement with the books of accounts.

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

g The company has taken unsecured loan from a Non- Banking Financial Company which is repayable on demand.

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

12.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2024

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks ROI 10.65%-15.00%	1,597.98	2,447.02	832.43	261.58	5,139.01
From National Housing Bank (NHB) ROI 8.25%-8.35%	254.49	204.73	102.64	66.06	627.92
From Non-Banking Financial Companies ROI 11.60%-14.50%	3,395.66	4,781.65	548.51	-	8,725.82
Overdraft:					
From Banks ROI 9.50%-12.10%	2,003.58	-	-	-	2,003.58
Total Secured	**7,251.71**	**7,433.40**	**1,483.58**	**327.64**	**16,496.33**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies ROI 12.00%	-	1,745.64	-	-	1,745.64
Total Unsecured	**-**	**1,745.64**	**-**	**-**	**1,745.64**
Total	**7,251.71**	**9,179.04**	**1,483.58**	**327.64**	**18,241.97**
EIR Impact					**150.92**
Total					**18,392.89**

Terms of Repayment of Term Loans and Debentures as at March 31, 2023

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks ROI 9.15%-14.00%	1,189.71	2,004.81	1,120.63	860.50	5,175.65
From National Housing Bank (NHB) ROI 6.55%-7.85%	254.49	403.79	101.77	292.01	1,052.06
From Non-Banking Financial Companies ROI 11.00%-14.00%	2,889.08	4,641.18	1,038.33	-	8,568.59
Overdraft:					
From Banks ROI 10.00%-10.75%	900.91	-	-	-	900.91
Total Secured	**5,234.19**	**7,049.78**	**2,260.73**	**1,152.51**	**15,697.21**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies ROI 12.00%	-	1,250.00	-	-	1,250.00
Total Unsecured	**-**	**1,250.00**	**-**	**-**	**1,250.00**
Total	**5,234.19**	**8,299.78**	**2,260.73**	**1,152.51**	**16,947.21**
EIR Impact					**155.37**
Total					**17,102.58**

12.3 The company has not been declared wilful defaulters by any bank or financial institution or other lenders.

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

13. Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued But Not Due on Borrowings	76.70	77.77
Lease liability* (Note 13.a)	712.28	741.36
Expenses payable	128.88	144.30
Payable to Statutory Authorities	36.45	38.51
Other Payables	5.74	51.83
Total	960.05	1,053.77

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

a. Lease Liability Movement

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	741.36	728.33
Add:		
Addition during the year	101.55	105.76
Interest on lease Liability	63.59	69.70
Less:		
Derecognised during the year	(44.59)	(12.59)
Lease Rental Payments	(149.63)	(149.84)
Balance as at the end of the year	712.28	741.36

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Less than One year	4.56	18.51
One to five Year	110.12	58.13
More than five Year	597.60	664.72
Total	712.28	741.36

14. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
-Gratuity	36.01	27.10
-Leave Encashment	6.66	4.57
Total	42.67	31.67

15. Other non financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Interest Received on Loans	1.70	1.70
Total	1.70	1.70

16. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	7,00,00,000	7,000.00	7,00,00,000	7,000.00
Issued, subscribed and fully paid- up shares	6,59,23,000	6,592.30	6,59,23,000	6,592.30

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	6,59,23,000	6,592.30	6,04,73,400	6,047.34
- Issued during the year (Right Issue)#	-	-	54,49,600	544.96
Total Outstanding at the end of the period	6,59,23,000	6,592.30	6,59,23,000	6,592.30

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

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	4,13,49,860	62.72%

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

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	4,13,49,860	62.72%
Mr. Gopal Bansal	73,93,460	11.22%	73,93,460	11.22%
Mrs. Sunita Bansal	69,42,410	10.53%	69,42,410	10.53%

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

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

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	4,13,49,860	62.72%	4,13,49,860	62.72%
Mr. Gopal Bansal #	73,93,460	11.22%	73,93,460	11.22%
Ms. Sunita Bansal #	69,42,410	10.53%	69,42,410	10.53%
M/s Gopal Bansal (Huf) *	20,07,734	3.05%	20,07,734	3.05%
Mr. Virender Kumar Bansal *	19,07,361	2.89%	19,07,361	2.89%
Ms. Santosh Bansal *	19,07,361	2.89%	19,07,361	2.89%
Ms. Kriti Suri #	14,80,010	2.25%	14,80,010	2.25%
Mr. Ashish Bansal #	6,81,201	1.03%	6,81,201	1.03%
Ms. Nirmala Devi $	6,81,201	1.03%	6,81,201	1.03%
Mr. Naresh Kumar Bansal $	6,81,201	1.03%	6,81,201	1.03%
Ms. Charu Bansal $	6,81,201	1.03%	6,81,201	1.03%
M/s Arvind Kumar Bansal (Huf) *	2,09,990	0.32%	2,09,990	0.32%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%

* Relatives of Promoter Mr. Gopal Bansal

having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.

$ Relatives of Promoter Mr. Ashish Bansal

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

17. Other Equity

Particulars	As at March 31, 2024		As at March 31, 2023	
Statutory Reserve				
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)				
Balance as per last financial statements	410.66		321.18	
Add: Transferred during the year	243.03		89.48	
Net Balance of Special Reserve		653.69		410.66
Securities Premium				
Opening balance	1,021.19		566.15	
Add: addition/(deletion) during the year	-		455.04	
Closing balance		1,021.19		1,021.19
Retained earnings				
Opening balance	1,467.26		1,109.35	
Add: Profit/(loss) for the year	1,215.15		447.39	
Less: Appropriation to Statutory reserve	(243.03)		(89.48)	
Closing balance		2,439.38		1,467.26
Equity instruments through other comprehensive income				
Opening balance	(3.57)		-	
Add: addition/(deletion) during the year	0.62		(3.57)	
Closing balance		(2.95)		(3.57)
Total		**4,111.31**		**2,895.54**

17.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
On financial assets measured at amortised cost		
- on loans	5,999.08	4,143.53
- Interest on Deposits with Banks	84.51	73.32
Total	**6,083.59**	**4,216.85**

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

19. **Fees and Commission Income**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fees and Other Charges	195.49	123.05
Total	**195.49**	**123.05**

20. **Net Gain on Fair Value Changes**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial insturments designated through profit & loss	11.97	53.70
	11.97	53.70
(B) Others	-	-
Net gain on fair value changes	**11.97**	**24.47**
Fair Value Changes:		
- Realised	11.97	53.20
- Unrealised	-	0.50
Net gain on fair value changes	**11.97**	**53.70**

21. **Other Income From Operations**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Income From Operation	42.46	58.74
Total	**42.46**	**58.74**

22. **Other Income**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Interest Income	3.38	26.87
Advertisement Income	34.05	88.26
Other Misc. Income	6.60	9.23
Total	**44.03**	**124.36**

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

23. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
- Interest on borrowings	2,248.51	1,619.62
- Interest expense on lease liabilities	63.58	69.70
- Bank Charges	14.28	14.18
Total	**2,326.37**	**1,703.50**

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On Financials Instruments measured at amortised Cost		
- Loans	48.79	56.19
Total	**48.79**	**56.19**

25. Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages	1,263.02	1,213.41
Contribution to Provident and Other Funds	83.66	90.33
Staff Welfare Expenses	23.81	22.41
Other Benefits	66.90	117.50
Total	**1,437.39**	**1,443.65**

26. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advertisement expenses	11.92	16.21
Payments to Auditors	2.18	2.21
Insurance Expense		
- Car Insurance	0.16	0.02
- Office Insurance	29.59	27.42
Commission expenses	1.12	5.07
Conveyance expenses	122.12	75.44
Communication Expense	10.22	8.07
Director's Sitting Fees	1.72	1.66
Documentation & stamp charges	1.77	1.89
Document Handling & Storage Expense	6.52	6.25
Donations		
- for Corporate Social Responsibility	15.01	11.50
Fee & subscriptions	33.80	31.09
Interest on government dues	0.07	0.27
Legal & technical charges	41.60	71.92
Branch opening expenses	-	0.02
Professional charges	125.26	43.64
Business Development Expenses	72.89	
Debt Syndication Charges	20.00	
Printing & Stationery	14.50	21.82
Power & Fuel	25.48	23.19
Postage & Courier	7.95	11.41
Rent expenses	50.77	40.97
Repair & Maintenance		
- Office Repair & Maintenance	41.11	8.83
- Vehicle Repair & Maintenance	0.63	0.72
- Computer Repair & Maintenance	0.17	1.12
Software expenses	41.95	35.64
Server Maintenance Charges	6.97	7.02
Tour & travelling expenses	2.99	7.63
Other expenses	62.91	51.43
Total	**751.38**	**512.46**

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
- for statutory audit	1.36	1.36
- for tax audit	0.44	0.44
- for certification fees	0.38	0.41
Total	**2.18**	**2.21**

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

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
For Corporate Social Responsibility	15.01	11.50
Total	**15.01**	**11.50**

26.2.1

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	12.01	11.50
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	-	-
d) Amount of Expenditure incurred during the year	15.01	11.50
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	-	-
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	407.96	253.46
Adjustment in respect of current income tax of prior years	-	-
Deferred Tax		
Deferred Tax Charge	(18.09)	(75.87)
Adjustment in respect of prior Year	-	-
Income tax expense reported in Statement of Profit and Loss	**389.87**	**177.59**

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and year ended March 31, 2023 is, as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	1,605.02	624.99
At India's statutory income tax rate of 25.168% (2021: 25.168%)	403.96	157.31
Reconciling Items		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	7.61	11.95
Corporate Social Responsibility and Others	8.33	8.33
Others	(30.03)	-
Income tax expense reported in the Statement of Profit and Loss	**389.87**	**177.59**

28. Earnings per Equity share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit attributable to ordinary equity holders	1,215.15	447.40
Weighted average number of equity shares for basic earnings per share	659.23	610.71
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	659.23	61.07
Earnings per equity share:		
Basic earnings per share (Rs.)	**1.84**	**0.73**
Diluted earnings per share (Rs.)	**1.84**	**0.73**

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29. Special reserve:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 30.25 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 212.78 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:

(i) Defined Contribution Plan:

a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 58.99 Lakhs (March 31, 2023: Rs. 64.44 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.

b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 12.96 lakhs (March 31, 2023: Rs. 14.40 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

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

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

Net Liability/(assets) recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end	36.01	27.09

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Service Cost	9.67	10.75
Net Interest Cost	1.99	0.67
Total expense recognised in the employee benefit expense	11.66	11.42

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

(Rs. in lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at the beginning of the year	27.09	10.91
Service cost	9.67	10.75
Net Interest Cost	1.99	0.67
Re-measurements	(0.82)	4.76

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Benefit paid	(1.92)	0
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	**36.01**	**27.09**

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

Particular	As at March 31, 2024	As at March 31, 2023
i) Discount rate	7.18%	7.36%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100.00%

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

b. Leave Encashment: The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 6.66 Lakhs.

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	217.74	-	217.74	437.91	-	437.91
(b) Bank Balance other Cash and cash equivalents	680.75	213.13	893.88	628.98	153.50	782.48
(c) Loans*	14,291.91	13,420.77	27,712.68	10,569.42	14,370.92	24,940.34
(d) Investments	-	-	-	100.50	-	100.50
(e) Other financial assets	60.90	74.40	135.30	113.67	95.12	208.79
Total Financial assets	**15,251.29**	**13,708.31**	**28,959.60**	**11,850.48**	**14,619.54**	**26,470.02**
Non-financial assets						
(a) Deferred tax assets (net)	-	195.57	195.57	-	177.69	177.69

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(b) Property, plant and equipment	-	154.14	154.14	-	159.69	159.69
(c) Right to use Asset	-	621.03	621.03	16.91	633.07	679.98
(d)Intangible assets under development	-	-	-	-	-	-
(e) Other intangible assets	-	92.90	92.90	-	92.33	92.33
(f) Other non-financial assets	0.44	27.83	28.27	29.30	-	29.30
Total Non-financial assets	**0.44**	**1,091.47**	**1,091.91**	**46.21**	**1,092.78**	**1,139.99**
Total Assets	**15,251.73**	**14,799.78**	**30,051.51**	**11,896.69**	**15,712.32**	**27,609.01**

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

(Rs. in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Borrowings (other than debt securities)	7,251.71	10,990.26	18,241.97	5,234.19	11,713.02	16,947.21
(c) Other financial liabilities	247.77	712.28	9,60.05	330.92	722.85	1,053.77
Total Financial liabilities	**7,499.48**	**11,702.54**	**19,202.02**	**5,565.11**	**12,435.87**	**18,000.98**
Non-financial liabilities						
(a) Current tax liabilities (net)	101.51	-	101.51	86.82	-	86.82
(b) Provisions	6.66	36.01	42.67	4.57	27.10	31.67
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non financial liabilities	-	1.70	1.70	-	1.70	1.70
Total Non-financial liabilities	**108.17**	**37.71**	**145.88**	**91.39**	**28.80**	**120.19**
(a) Equity share capital	-	6,592.30	6,592.30	-	6,592.30	6,592.30
(b) Other equity	-	4,111.31	4,111.31	-	2,895.54	2,895.54
Total Equity	-	**10,703.61**	**10,703.61**	-	**9,487.84**	**9,487.84**

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Total Liabilities and Equity	**7,607.65**	**22,443.86**	**30,051.51**	**5,656.50**	**21,952.51**	**27,609.01**

32. Contingent liabilities and commitments:

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2024	As at March 31, 2023
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	**128.59**	**992.21**
	-Towards sanction pending disbursement	56.82	164.29
	-Towards part disbursement	71.77	827.92
(V)	Pending capital commitment	-	-

33. Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I capital	9794.11	8,537.84
Tier II capital	1823.91	66.83
Total capital (Tier I + Tier II)	**11,618.02**	**8,604.67**
Adjusted value of funded risk assets i.e. On Balance Sheet Item	18,420.85	15,790.31
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	64.29	496.10
Total Risk weighted assets	**18,485.15**	**16,286.42**
Tier I capital ratio	52.98%	52.42%
Tier II capital ratio	9.87%	0.41%
Total capital ratio	**62.85%**	**52.83%**

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

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The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	100.50	-	-	100.50

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss : For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2024	AS AT MARCH 31, 2023	AS AT MARCH 31, 2024	AS AT MARCH 31, 2023
Financial assets					
Cash and cash equivalents	1	217.74	437.91	217.74	437.91
Bank Balance other Cash and cash equivalents	1	893.88	782.48	893.88	782.48
Loans	3	27,712.68	24,940.34	27,712.68	24,940.34
Other financial assets	3	135.30	208.79	135.30	208.79
Financial assets		**28,959.60**	**26,369.52**	**28,959.60**	**26,369.52**
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-

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(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	-	-	-	-
Borrowings (other than debt securities)	3	18,241.97	16,947.21	18,241.97	16,947.21
Other financial liabilities	3	960.05	1,053.77	960.05	1,053.77
Financial liabilities		**19,202.02**	**18,000.98**	**19,202.02**	**18,000.98**

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:
a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
b) Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

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

As at March 31, 2024:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	23,238.89	4,356.59	314.92
Allowance for ECL	78.27	20.87	98.58
ECL Coverage Ratio (%)	**0.34%**	**0.48%**	**31.30%**

As at March 31, 2023:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	20,272.88	4,567.23	249.16
Allowance for ECL	66.83	27.06	55.05
ECL Coverage Ratio (%)	**0.33%**	**0.59%**	**22.09%**

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2023	66.83	27.06	55.05
New Addition/Reduction during the year	11.44	(6.19)	43.53
Impairment Loss Allowance as at March 31, 2024	**78.27**	**20.87**	**98.58**

Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	217.74	-	-	-	-	-	-	-	217.74
Bank Balance other than Cash and cash equivalents	-	5.00	-	119.13	556.63	213.13	-	-	893.88
Loans	873.37	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	2.69	0.91	3.38	37.66	16.26	27.90	-	46.50	135.30
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	424.57	436.75	439.29	1,425.62	4,525.48	9,179.04	1,483.58	327.64	18,241.97
Other financial liabilities	235.60	2.23	-	9.94	-	-	-	712.28	960.05

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The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	437.91	-	-	-	-	-	-	-	437.91
Bank Balance other than Cash and cash equivalents	-	-	-	14.75	614.23	149.75	3.75	-	782.48
Loans	437.99	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	100.50	-	-	-	-	-	-	100.50
Other financial assets	12.06	-	-	13.04	105.38	35.46	5.85	37.00	208.79
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	338.56	331.65	333.41	1,094.77	3,135.80	8,299.78	2,260.73	1,152.51	16,947.21
Other financial liabilities	276.81	-	-	29.76	24.26	22.21	35.97	664.76	1,053.77

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C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	As at March 31, 2024	As at March 31, 2023
On Floating Rate Borrowings		
1% increase in interest rate	172.38	143.54
1% decrease in interest rate	(172.38)	(143.54)
On Floating Rate Loans and Advances		
1% increase in interest rate	15.96	20.17
1% decrease in interest rate	(15.96)	(20.17)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

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36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

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37. Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Ms. Sunita Bansal (Whole Time Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO) Ms. Varsha Bharti (Company Secretary)* Mr. Vijay Kumar Dwivedi (Company Secretary)** Mr. Somesh Tewari (CEO)***
(iii)	Relatives of Key Management Personnel	Ms. Charu Bansal Ms. Ganga Devi Bansal
(iv)	Other Related Parties	Daisy Distributors Private Limited Gopal Bansal HUF

* appointed w.e.f 12.10.2023
** resigned w.e.f 11.10.2023
*** resigned w.e.f 16.09.2023

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure": -

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2024	31/03/2023	31/03/2024	31/03/2023
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	20.51	17.61	NIL	1.50
		Allotment of Equity share	NIL	368.00	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	11.72	8.81	0.90	0.75
		Allotment of Equity share	NIL	131.99	NIL	NIL
	Ms. Kriti Suri	Salary and Conveyance	9.37	8.79	0.78	0.75
	Ms. Ashish Bansal	Director remuneration	14.65	11.74	1.09	NIL
	Ms. Prerna Matta Arora	Salary	19.64	6.40	2.04	1.35
	Ms. Gunjan Jain Jindal	Salary	NIL	6.33	NIL	NIL

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	Mr. Somesh Tewari	Salary	31.42	4.03	NIL	4.03
	Ms. Varsha Bharti	Salary	5.39	NIL	0.85	NIL
	Mr. Vijay Kr. Dwivedi	Salary	5.33	8.50	NIL	0.78
(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Advance given	27.00	NIL	NIL	NIL
		Advance received back	27.00	NIL	NIL	NIL
		Interest received	0.19	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	NIL	1.44	NIL
	India Finsec Limited	Allotment of Equity shares	NIL	300.00	NIL	NIL
	India Finsec Limited	Commission paid for Bank guarantee	10.00	Nil	Nil	Nil
(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

38. Segment reporting:

The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house, Loan against property and lending against collateral of gold jewellery. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2024	For the Year 31.03.2023	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	62.85%	52.83%	10.02%	Due to increase in Tier II Capital
(b) Tier I CRAR	Tier I Capital		52.98%	52.42%	0.56%	
(c) Tier II CRAR	Tier II Capital		9.87%	0.41%	9.46%	Inclusion of Subordinated Debt
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	The company's Inflows are more than outflows in the next 30 days, thus not applicable.			

40. During the financial year ended March 31, 2024, the company has not reclassified the comparative figures.

41. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

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42. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2022-23.

43. **Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.**

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	23,238.89	78.27	23,160.62	78.27	-
	Stage 2	4,356.59	20.87	4,335.72	12.02	8.85
Sub Total		**27,595.48**	**99.14**	**27,496.34**	**90.29**	**8.85**
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	157.49	31.45	126.04	24.55	6.90
Doubtful- upto 1 Year	Stage 3	112.64	36.55	76.09	28.79	7.76
1 to 3 Year	Stage 3	33.42	19.21	14.21	13.52	5.69
More than 3 Years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		**146.05**	**55.76**	**90.30**	**42.30**	**13.45**
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		**314.92**	**98.58**	**216.34**	**78.23**	**20.35**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
	Stage 1	**23,238.89**	**78.27**	**23,160.62**	**78.27**	-
	Stage 2	**4,356.59**	**20.87**	**4,335.72**	**12.02**	**8.85**
	Stage 3	**314.92**	**98.58**	**216.34**	**78.23**	**20.35**
Total		**27,910.40**	**197.72**	**27,712.68**	**168.52**	**29.20**

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

44. Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

Particulars	As at March 31, 2024	
Liabilities side	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	18,318.67	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
Asset side	**Amount Outstanding as at March 31, 2024**	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		27,910.40
(b) Unsecured		-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease		-
(b) Operating Lease		-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
b. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
Long Term Investments		

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

a. Quoted	
(i) Shares	
(a) Equity	
(b) Preference	
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
b. Unquoted	-
(i) Shares	-
(a) Equity	
(b) Preference	
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
	-

6. Borrower group-wise classification of assets financed as in (3) and (4) above:
(Please see Note 2 below)

Category	Amount Net of Provision as at March 31, 2024		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	27,712.68	-	27,712.68
Total	27,712.68	-	27,712.68

7. Investor group-wise classification of all investments (current and long term)in shares and securities (both quoted and unquoted) :
(Please see Note 3 below)

Category	Amount Net of Provision as at March 31, 2024		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Total	-	-	-
** As per notified Accounting Standard (Please see Note 3)			

8. Other Information

Particulars	Amount as at March 31, 2024
(i) Gross Non-Performing Assets	
(a) Related Parties	
(b) Other Than Related Parties	-
(ii) Net Non-Performing Assets	314.92
(a) Related Parties	
(b) Other Than Related Parties	-
(iii) Asset acquired in satisfaction of Debt	216.34
Notes:	-

a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.

b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.

c. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

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

45. Additional Disclosures in Terms of NHB Guidelines

45.1 Principal Business Criteria:

45.1.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. As per para 5.3 of Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, out of the Company's total assets (netted off by intangible assets) as on 31st March 2024, not less than 60% should be by way of housing finance and not less than 50% should be by way of housing finance to individuals.

b. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 51.70% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) as on 31 March 2024 (Previous Year was 55.17%). Out of the total assets (netted off by Intangible), 51.70% is by way of housing finance for individuals (Previous Year was 55.17%).
Therefore, PBC criteria as mentioned in point (a) above was not met as on 31 March 2024

45.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2024	As at March 31, 2023
(i) CRAR (%)	62.85%	52.83%
(ii) CRAR-Tier I Capital (%)	52.98%	52.42%
(iii) CRAR-Tier II Capital (%)	9.87%	41.00%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

45.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	124.64	82.65
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act,1987	286.02	238.53
c) Total	410.66	321.18
Addition/Appropriation/Withdrawal during the year		
Add:		
a)Amount transferred u/s 29C of the NHB Act,1987	-	-
Current Year		
Previous Year Short Created	212.78	41.99
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	30.25	47.49
Less:		
a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	337.42	124.64
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987	316.27	286.02
c) Total	**653.69**	**410.66**

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

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45.4 **Investments**

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

Particulars	As at March 31, 2024	As at March 31, 2023
Value of Investments		
(i) Gross value of investments	-	100.50
(a) In India	-	-
(b) Outside India	-	-
(ii) Provision for depreciation	-	-
(a) In India	-	-
(b) Outside India	-	100.50
(iii) Net value of investments	-	-
(a) In India	-	-
(b) Outside India	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

45.5 **Derivatives**

45.5.1 **Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The notional principal of swap agreements	Not Applicable	Not Applicable
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps $	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

45.5.2 **Exchange Traded Interest Rate (IR) Derivative**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

45.5.3 **Disclosures on Risk Exposure in Derivatives**

A. **Qualitative Disclosure**

Company has no exposure in Derivatives. Hence Clause 51.5.3 is not Applicable

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B. Quantitative Disclosure

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

45.6 Securitisation

45.6.1

Particulars	As at March 31, 2024	As at March 31, 2023
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	Not Applicable
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	Not Applicable
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
(I) Off-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit Enhancements	Not Applicable	Not Applicable
a) Exposure to own securititations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
a) Exposure to own securitisations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
*Only the SPVs relating to outstanding securitisation transactions may be reported here	Not Applicable	Not Applicable

45.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at March 31, 2024	As at March 31, 2023
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.3 Details of Assignment transactions undertaken by HFCs

Particulars	As at March 31, 2024	As at March 31, 2023
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	As at March 31, 2024	As at March 31, 2023
1. (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Particulars	As at March 31, 2024	As at March 31, 2023
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

AJAY PATTAN & CO. New Delhi Chartered Accountants

IFL HOUSING FINANCE LTD. NEW DELHI

IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

45.7 Asset Liability Management:

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

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	38.19	0.00	95.30	133.56	133.86	402.50	794.55	2447.02	832.43	261.58	5139.01
Market Borrowings											
- FI	125.65	26.40	139.03	303.17	305.43	938.29	1,557.69	6,527.29	548.51	-	10471.46
- NHB	-	-	-	-	-	84.83	169.66	204.73	102.64	66.06	627.92
Overdraft From Banks	-	-	-	-	-	-	2,003.58	-	-	-	2003.58
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	112.95	534.52	225.90	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2023

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	10.30	-	88.45	98.74	99.06	297.82	595.33	2,004.81	1,120.63	860.50	5,175.65
Market Borrowings											
- FI	83.93	23.37	132.50	232.50	234.35	711.12	1,469.90	5,891.18	1,038.33	-	9,818.59
- NHB	-	-	-	-	-	84.83	169.66	403.79	101.77	292.01	1,052.06
Overdraft From Banks	-	-	-	-	-	-	900.91	-	-	-	900.91
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	66.25	210.84	160.90	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	-	-	100.50	-	-	-	-	-	-	100.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

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45.8 Exposure

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

45.8.1 Exposure to Real Estate Sector

Particulars Category	As at March 31, 2024	As at March 31, 2023
A)Direct Exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	16,304.54	16,437.16
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	14,511.29	13,857.38
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	36.71	55.28
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**16,341.25**	**16,492.44**

45.8.2 Exposure to Capital Market

Particulars	As at March 31, 2024	As at March 31, 2023
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	100.50
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**-**	**100.50**

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

45.8.3 Details of financing of parent company products
No financing of parent company products is done.

45.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC
The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

45.8.5 Unsecured Advances

a. The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

b. The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.

45.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

46. Miscellaneous

46.1 Registration obtained from other financial sector regulators
• Registration of the Company as LEI (Legal Entity Identifier) as required by RBI wide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2024.

• The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd)] as required under Insolvency & Bankruptcy Code, 2016

46.2 Disclosure of Penalties imposed by NHB and other regulators
i) There is no penalty imposed by NHB or other regulator during FY 2023-24.
ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

46.3 Related party Transactions
Detailed information furnished under Note No. 37

46.4 Group Structure
Diagrammatic representation of group structure is provided under Board of Director's Report.

46.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	CRISIL Ratings Limited	CRISIL BBB-/Stable	10th August 2023	09th August 2024
Long Term Bank Facilities	Infomerics Valuation and Rating Pvt. Ltd.	IVR BBB-/Stable	11th August 2022	10th August 2023

46.6 Remuneration of Directors
Detailed information furnished under Notes to Accounts (please refer Note No. 37)

46.7 Management
As provided in Board of Directors' Report.

46.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2024
Net Profit for the period (before tax)	1,605.02
Prior Period Items	-
Changes in Accounting Policies	Nil

46.9 Revenue Recognition
There is no deferment of revenue recognition.

46.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements
Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

46.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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47. Additional Disclosures

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

47.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure In Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	407.96	253.46
3. Provision towards NPA	98.58	55.05
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	99.14	93.88
5. Provision for Sub-standard assets	81.45	31.43
6. Provision for Doubtful assets	55.76	12.24
7. Provision for Loss Assets*	11.38	11.38
8. Provision for Employee Benefits	42.67	31.66
9. Other Provision and Contingencies (with details)	-	-

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

Break up of Loan & Advances and Provisions thereon	As at March 31, 2024		As at March 31, 2023	
	Housing Loan	Non- Housing Loan	Housing Loan	Non- Housing Loan
Standard Assets				
a) Total Outstanding Amount	14,793.09	12,802.39	14,496.14	10,343.97
b) Provisions made	46.73	52.40	50.21	43.67
Sub-Standard Assets				
a) Total Outstanding Amount	142.42	15.08	174.99	22.15
b) Provisions made	28.45	3.00	27.88	3.55
Doubtful Assets – Category-I				
a) Total Outstanding Amount	96.95	15.68	15.80	13.54
b) Provisions made	31.44	5.11	4.10	3.56
Doubtful Assets – Category-II				
a) Total Outstanding Amount	21.49	11.93	11.00	0.30
b) Provisions made	12.24	6.97	4.46	0.12
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

47.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

47.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category- I
One to three years	Category- II
More than three years	Category- III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2023	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2024
Taxation (Current Tax)	253.46	407.96	253.46	407.96
Standard Assets	93.88	99.14	93.88	99.14
Sub-Standard Asset	31.43	15.84	15.82	31.45
Doubtful Asset	12.24	48.04	4.52	55.76
Loss Asset	11.38	-	-	11.38
Employee Benefits	31.66	11.01	-	42.67

47.2 Draw Down from Reserves

Company has not drawn any amount from reserves

47.3 Concentration of Public Deposits, Advances, Exposures and NPAs

47.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable

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

47.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans & advances to twenty largest borrowers	583.88	587.08
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	2.09%	2.34%

Note:
Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding.
Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

47.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to twenty largest borrowers/customers	583.88	587.08
Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	2.08%	2.25%

Note:
Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

47.3.4 Concentration of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to top ten NPA accounts	125.70	122.16
Total exposure to NPA accounts	314.92	249.16

47.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2024	As at March 31, 2023
A. Housing Loans:		
1. Individuals	1.81%	1.47%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	3.37%	2.08%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.00%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

47.4 Movement of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Net NPAs to Net Advances (%)	0.78%	0.78%
(II) Movement of NPAs (Gross)		
a) Opening balance	249.16	187.64
b) Additions during the year	186.67	430.31
c) Reductions during the year	120.91	368.80
d) Closing balance	314.92	249.16
(III) Movement of Net NPAs		
a) Opening balance	194.11	147.27
b) Additions during the year	122.80	362.62
c) Reductions during the year	100.57	315.78
d) Closing balance	216.34	194.11
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	55.05	40.37
b) Provisions made during the year	63.87	67.69
c) Write-off/write-back of excess provisions	20.34	53.02
d) Closing balance	98.58	55.05

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47.5 **Overseas Assets** (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Overseas Assets	-	-

47.6 **Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

47.7 **Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Loan Outstanding against Collateral of Gold Jewellery	11,569.16	8,596.83
Gross Total Loans Outstanding	27,910.40	25,089.27
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	41.45%	34.26%

48. **Disclosure of Complaints**

Customers Complaints

Particulars	As at March 31, 2024	As at March 31, 2023
		(In Numbers)
a) No. of complaints pending at the beginning of the year	1	-
b) No. of complaints received during the year	3	4
c) No. of complaints redressed during the year	4	3
d) No. of complaints pending at the end of the year	-	1

49. **Fraud Cases**

49.1

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	2	19.08	1	11.38
Additional Loan Accounts detected as Fraud during the Year	1	7.00	1	9.30
Amount Recovered during the year	2	14.70	-	1.60
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	1	11.38	2	19.08
Provision Created		11.38		11.38

50. **Disclosure in pursuant to Guidelines for Entry of Housing Finance Companies into Insurance Business:**

50.1 The Company is not engaged in the business of Insurance Agency.

51. **During the year:**

51.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.

51.2 No prior period items occurred which has impact on profit and loss account.

51.3 No change in any accounting policy.

51.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

51.5 There was no withdrawal from Reserve fund.

51.6 Company has not accepted public deposits.

51.7 The company do not have an exposure to teaser rate loans.

52. There have been no events after the reporting date that requires disclosure in these financial statements.

53. The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

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54. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

55. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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



CA. Varun Garg
Partner
Membership No. 523588
UDIN: 24523588BKGYWJ4496
New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal	Sunita Bansal
Managing Director	Director
DIN: 01246420	DIN: 02801660



Prerna Matta Arora	Varsha Bharti
CFO	Company Secretary
PAN: BAMPM7263C	PAN: AROPB3152H

INDEPENDENT AUDITOR'S REPORT

To the Members of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)**

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)** ("the Company"), which comprise the balance sheet as at 31st March 2025, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the **profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

1. Attention is drawn to Note No 41 "The Company has passed a resolution in the board meeting dated 20 May 2024 to discontinue being housing finance company and to convert it into a NBFC and to file applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

   Our report is not qualified in respect of above matter.



Information Other than the Standalone financial statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **'Annexure A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the



company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

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

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31,2025 is as follows:

- Based on our examination, which included test checks, the company has used accounting software systems for maintaining its books of account for the financial year ended March 31,2025 which have the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software systems. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for the record retention.

h) The matter described in the Emphasis of matter paragraph above, in our opinion may not have an adverse effect on functioning of the company.

i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 MAY 2025

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2025:

We report that:

1) Property Plant and Equipment and Intangible Assets

a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
b) The company is maintaining proper records showing full particulars of intangible assets.
c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
d) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of company;
e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

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

3) Investments, Guarantee/Security, Loan and Advance

a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
b) The company has not made any investment during the year and hence the terms and conditions are not prejudicial to the company's interest.
c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;

AJAY RATTAN & CO. New Delhi Chartered Accountants

d) The total amount overdue for more than ninety days is Rs. 221.97 lakhs and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;

e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.

f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

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

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

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

7) Statutory Dues

a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.



8) Unrecorded Income

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

9) Repayment Of Dues

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

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;

b) The company has not been declared a willful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;

c) The term loan taken by the company were applied for the purpose for which they were obtained.

d) Short-term loans raised by the company have not been utilized for long-term purposes.

e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;

f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

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

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

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

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

a) No fraud on or by the company has been noticed or reported during the year.

b) no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) No whistle-blower complaints have been received during the year by the company.



12) Nidhi Company

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

13) Transaction With Related Parties

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

14) Internal Audit System

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

15) Non-Cash Transaction with Director

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

16) Registration With RBI

a) In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.The company has made an application to the RBI for registration as NBFC. However till 31 March 2025 the registration certificate was awaited.
b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
d) The Group does not have any CIC as part of the Group.

Read the above points 16 (a) with note no 41 of Notes to financial statements.

17) Cash Losses

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

18) Considerations of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

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

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

20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

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

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

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 090975
UDIN: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 MAY 2025

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)** ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588
UDIN: 25523588BMJMMR9556

Place: New Delhi
Dated: 22 MAY 2025

IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)
CIN: U65910DL2015PLC285284
NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

1. Corporate Information:

IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED) (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013. Initially focused on Home Loans and Loan against Property (LAP), the company expanded its portfolio in December 2020 to include Gold Loans. Gold Loan product, being a safe, liquid and highly marketable product, has promising prospects and thus since April 2024, the company has realigned its focus to concentrate predominantly on the gold loan business. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable. These financial statements are duly approved by the Board of Directors on 22nd May 2025.

(b) Presentation of financial statements:

(i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.

(ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

(iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3F)
- Effective interest rate (EIR) [Refer note no. 3F)
- Impairment of financial assets [Refer note no. 3F)
- Provisions and contingent liabilities (Refer note no. 3I)
- Provision for tax expenses (Refer 3G)

AJAY RATTAN & CO. New Delhi Chartered Accountants

IFL FINANCE LIMITED NEW DELHI

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

BALANCE SHEET AS AT MARCH 31, 2025

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

Sr.	Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS				
I	**Financial assets**			
	(a) Cash and cash equivalents	4a	1,135.59	217.74
	(b) Bank Balance other than Cash and cash equivalents	4b	393.88	893.88
	(c) Loans	5	32,981.60	27,712.68
	(d) Investments		-	-
	(e) Other financial assets	6	212.13	135.30
	Total Financial assets		**34,723.20**	**28,959.60**
II	**Non-financial assets**			
	(a) Deferred tax assets (net)	7	150.75	195.57
	(b) Property, plant and equipment	8	192.99	154.14
	(c) Right to use Asset	8	865.77	621.03
	(d) Investment Property	8	118.56	-
	(e) Intangible assets under development		-	-
	(f) Other intangible assets	8	97.47	92.90
	(g) Other non-financial assets	9	36.98	28.27
	Total Non-financial assets		**1,462.52**	**1,091.92**
	Total Assets		**36,185.72**	**30,051.51**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**Financial liabilities**			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	10	18,779.62	18,241.97
	(c) Lease Liability	11	993.09	712.28
	(d) Other financial liabilities	12	268.49	247.77
	Total Financial liabilities		**20,041.20**	**19,202.02**
II	**Non-financial liabilities**			
	(a) Current tax liabilities (net)	13	95.85	101.51
	(b) Provisions	14	64.49	42.67
	(c) Deferred Tax Liabilities (Net)		-	-
	(d) Other non financial liabilities	15	9.88	1.70
	Total Non-financial liabilities		**170.22**	**145.89**
EQUITY				
	(a) Equity share capital	16	8,475.82	6,592.30
	(b) Other equity	17	7,498.48	4,111.31
	Total Equity		**15,974.30**	**10,703.61**
	Total Liabilities and Equity		**36,185.72**	**30,051.51**

Notes to the Ind AS financial statements 1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

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

AJAY RATTAN & CO. ★ Chartered Accountants ★ New Delhi

CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025
UDIN- 25523588BMIMMR9556

IFL FINANCE LIMITED NEW DELHI

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2025

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

Sr.	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
	Revenue from operations			
	(i) Interest Income	18	6,850.86	6,083.59
	(ii) Fees and Commission Income	19	213.15	195.49
	(iv) Net Gain on Fair Value Changes	20	-	11.97
	(iii) Other Income From Operations	21	47.17	42.46
I	**Total Revenue From Operations**		7,111.18	6,333.51
II	Other Income	22	25.90	44.03
III	**Total Income (I+II)**		**7,137.08**	**6,377.54**
	Expenses			
	Finance costs	23	2,532.85	2,326.37
	Impairment on Financial Instruments	24	-	48.79
	Employee benefits expenses	25	1,337.30	1,437.39
	Depreciation and amortisation expenses	8	257.74	208.58
	Other expenses	26	617.28	751.38
IV	**Total Expenses**		**4,745.17**	**4,772.51**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**2,391.91**	**1,605.02**
VI	Exceptional items		-	-
VII	**Profit/ (loss) before tax**		**2,391.91**	**1,605.02**
VIII	Less: Tax expense			
	Current tax	27	533.88	407.97
	Deferred tax (Net)	27	45.28	(18.09)
IX	**Net Profit/ (loss) after tax**		**1,812.75**	**1,215.15**
	Other Comprehensive Income			
	A. Items			
	-Remeasurements of Defined Benefit Obligation		(1.81)	0.83
	B. Income tax relating to items that will not be reclassified to profit or loss		0.46	(0.21)
X	**Total Other Comprehensive Income (A+B)**		**(1.35)**	**0.62**
XI	**Total Comprehensive Income (IX+X)**		**1,811.40**	**1,215.77**
XII	**Earning Per Equity Share (EPS)**			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	28	2.65	1.84
	Diluted (in Rs.)	28	2.65	1.84

The accompanying notes are an integral part of the financial statements.
As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED NEW DELHI

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2025

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

Particulars		For the year ended on March 31, 2025	For the year ended on March 31, 2024
(I)	**Cash flow from Operating Activities**		
	Profit before tax	2,391.91	1,605.03
	Adjustments for:		
	Impairment Loss on Financial instruments	(1.05)	48.79
	Prior Period Items	1.78	-
	Depreciation and amortisation expense	257.74	208.58
	Loss on Assets Written Off	-	-
	Re-measurements of Defined Benefit Obligation through OCI	(1.81)	0.83
	Gain on Fair value changes due to Fair Value through P&L- Realised	-	(11.97)
	Gain on Fair value changes due to Fair Value through P&L- Unrealised	-	-
	Interest income at amortised cost	(6,854.08)	(6,086.97)
	Fees and Commission Income	(213.15)	(195.49)
	Finance cost at amortised cost	2,532.85	2,326.37
	Cash inflow from Interest Income	6,431.56	5,793.11
	Cash inflow from Fees and Commission Income	307.38	434.91
	Cash outflow towards finance costs	(2,423.45)	(2,258.34)
	Cash generated from operation before working capital changes	**2,429.67**	**1,864.86**
	Working capital changes:		
	(Increase)/ decrease in trade receivables	-	-
	(Increase)/ decrease in loans	(4,998.37)	(2,851.19)
	(Increase)/ decrease in financial assets	(76.83)	73.49
	(Increase)/ decrease in non- financial assets	(8.71)	1.03
	Increase/ (decrease) in trade payables	-	-
	Increase/ (decrease) in other financial liabilities	104.90	(5.96)
	Increase/ (decrease) in provisions	21.82	11.00
	Increase/ (decrease) in non financial liabilities	8.18	0.00
		(2,519.34)	(906.77)
	Income Tax paid (Net of refunds)	(539.54)	(393.27)
	Net cash flow from operating activities (I)	**(3,058.88)**	**(1,300.05)**
(II)	**Cash flow from Investing Activities**		
	Increase in Bank Balance other than Cash & Cash Equivalents	500.00	(111.40)
	Sale/ (Purchase) of Property, plant & equipment	(264.76)	(82.79)
	Sale/ (Purchase) of investments	-	100.00
	Gain on sale of Investment at FVTPL	-	12.47
	Interest Earned on Fixed Deposits	58.79	84.51
	Net cash flow from investing activities (II)	**294.03**	**2.79**
(III)	**Cash flow from Financing Activities**		
	Net proceeds from issue of equity share capital	3,457.51	-
	Net proceeds from borrowings	512.44	1,290.31
	Interest expense on lease liabilities	(84.17)	(63.58)
	Lease Rentals Paid	(203.07)	(149.63)
	Net cash flow from financing activities (III)	**3,682.70**	**1,077.09**
	Net increase/(decrease) in cash and cash equivalents (I + II + III)	917.85	(220.17)
	Cash and Cash Equivalents at the beginning of the year	217.74	437.91
	Cash and Cash Equivalents at the end of the year (Note 4a)	**1,135.59**	**217.74**

The accompanying notes form an integral part of the Ind AS financial statements.

As per our report of even date

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMIMMR9556

IFL FINANCE LIMITED NEW DELHI

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2025

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

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2023	6,59,23,000	6,592.30
Shares allotted through right issue during the year	-	-
As at March 31, 2024	6,59,23,000	6,592.30
Shares allotted through right issue during the year #	1,88,35,164	1,883.52
As at March 31, 2025	8,47,58,164	8,475.82

b. Other Equity

Statement of Changes in Other Equity for the Year ended March 31, 2025

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2024	653.69	1,021.19	2,439.38	(2.95)	4,111.31
Changes in accounting policy/Prior Period Errors	-	-	1.78	-	1.78
Equity Shares issued during the year	-	1,600.99	-	-	1,600.99
Profit For the Year	-	-	1,812.75	-	1,812.75
Expenses for Issuance of Shares		(27.00)	-	-	(27.00)
Total Comprehensive Income for the year	-	-	-	(1.35)	(1.35)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	362.55	-	(362.55)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2025	**1,016.24**	**2,595.18**	**3,891.36**	**(4.30)**	**7,498.48**

During the year the company has allotted 188,35,164 equity shares of Rs. 10/- each issued on Right Issue basis, at issued price of Rs. 18.50/- each share (including a premium of Rs. 8.50/- each) to the applicants from whom the Company has received the share application money through direct application or through renounces aggregating and alloted the shares as per Book Value of shares method at time of alottment.

Statement of Changes in Other Equity for the year ended March 31, 2024

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	1,215.15	-	1,215.15
Total Comprehensive Income for the year	-	-	-	0.62	0.62
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	243.03	-	(243.03)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2024	**653.69**	**1,021.19**	**2,439.38**	**(2.95)**	**4,111.31**

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMJMMR9556

IFL FINANCE LIMITED NEW DELHI

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3A)

During the year the Management have made a few changes in accounting estimates with respect to:

- ECL
- Proportionate interest
- Useful life of Intangible Asset

The impact of the change in accounting estimate is not material, hence no disclosure for the same is being presented.

(d) New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend / adopt the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Company has reviewed amendments to be effective from April 1, 2024.

Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Company's financial statements as the Company has not entered into any insurance contracts.

Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. Since the Company has not undertaken any such transactions, the amendment did not affect its financial statements.

3. Summary of Material accounting policies:

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

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

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

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IFL FINANCE LIMITED NEW DELHI

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15
Building	60

*Taken at 10 years in case of those assets where management thinks fit.

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

B. Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

C. Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

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Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.
- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.
Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

D. Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.C.(i)].

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(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

E. Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

F. Financial instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

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IFL FINANCE LIMITED NEW DELHI

(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De- recognition of Financial Assets:

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

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees, commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

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Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

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

De-recognition of financial liabilities:

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

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

(iii) Offsetting of Financial Instrument:

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

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Loan-to-Value (LTV), Age Group, CIBIL, FOIR and Mortgage type in case of Housing Loan / LAP segment and Branch LTV/Audit LTV, Market LTV and DPD in case of Gold Loan segment, considered for loan loss allowance.

   The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar

AJAY RATTAN & CO. New Delhi Chartered Accountants

IFL FINANCE LIMITED NEW DELHI

characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI, whichever is higher.

G. Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax

AJAY RATTAN & CO. New Delhi Chartered Accountants

IFL FINANCE LIMITED NEW DELHI

assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

H. Employee benefits:

(i) Short term employee benefits:

(a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:

- Defined Contribution Plan

(a) Provident Fund: The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees

(b) Employee State Insurance: The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

- Defined Benefit Plans

(a) Gratuity: The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Further Junior Collection Staff employed in the states of Rajasthan and Madhya Pradesh have been excluded in calculation of actuarial valuation of Gratuity as their tenure of employment is less than 5 years.

(b) Leave Encashment: The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of

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the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

I. Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

J. Earnings per share (EPS):

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

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

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

K. Cash & cash equivalents:

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

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

4. (a) **Cash and cash equivalents**

Particulars	As at March 31, 2025	As at March 31, 2024
Cash in hand	462.09	187.67
Balance with banks:		
-In current accounts	673.50	30.07
-Remittance in Transit	-	-
In Other Deposit Accounts		
-In fixed deposits (maturities upto 3 months)	-	-
Total	**1,135.59**	**217.74**

(b) **Bank Balance other than Cash and cash equivalents**

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposit with bank (maturities more than 3 months)	-	-
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))		
-In fixed deposits (maturities upto 3 months)	64.38	5.00
-In fixed deposits (maturities more than 3 months)	329.50	888.88
Total	**393.88**	**893.88**

4.(b).(i) Fixed Deposit with bank under Lien

a.Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
b.Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. 50 Lakhs) against which Bank Guarantee is being given to NHB for loan.
c. Fixed deposits of Rs. 31.88 Lakhs (P.Y.Rs. 31.88 Lakhs)against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
d.Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. 30 Lakhs) against which Bank Guarantee is being given to DCB for loan.
e.Fixed deposits of Rs. 10 Lakhs (P.Y. Rs. 510.00 Lakhs) against which Overdraft limit from AU Bank.
f. Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from Federal Bank.
g.Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from City Union Bank.
h. Fixed deposits of Rs 150 Lakhs (P.Y Rs 150 Lakhs) against Overdraft Facility from ICICI Bank.
i. Fixed deposits of Rs. 20 Lakhs (P.Y Rs 20 Lakhs) against which Bank Gurantee is being given to Bandhan Bank.

5. **Loans**

At Amortised Cost

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Term Loans		
Housing loans	11,314.25	15,065.02
Loan Against Property	811.91	1,276.22
Loan Against Shares	-	-
Loan Against Gold Jewellery	21,052.11	11,569.16
Total Gross (A) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (A) (II)	**32,981.60**	**27,712.68**
(B) (i) Secured by Tangible Assets	33,178.27	27,910.40
(ii) Secured by Intangible Assets	-	-
(ii) Unsecured	-	-
Total Gross (B) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (B) (II)	**32,981.60**	**27,712.68**
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	33,178.27	27,910.40
Total Gross (C) (I)	**33,178.27**	**27,910.40**
Less: Impairment Loss Allowance	196.67	197.72
Total Net (C) (II)	**32,981.60**	**27,712.68**
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	-	-
Total Net (C) (II) and (III)	**32,981.60**	**27,712.68**

5.1 **Loans granted to promotors, Directors, KMPS and related parties**

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil

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

6. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit- Unsecured; Considered Good	57.54	46.50
Accrued interest		
-on FD	43.71	35.82
-on others	1.75	1.21
Balances with Govt Authorities	-	0.20
Cash Collateral (Deposits)	20.63	35.63
Others	88.50	15.94
Total	**212.13**	**135.30**

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

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance of Deferred Tax Asset	195.57	177.69
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	(45.28)	18.09
b. Changes in deferred tax recorded in other comprehensive Income	0.46	(0.21)
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	**150.75**	**195.57**

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

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.70	0.53
Disallowances u/s 40A of the Income Tax Act, 1961	4.79	2.24
Impairment on financial instruments	-	(0.17)
Depreciation and amortisation expenses	7.76	3.86
Financial Instrument (Loans) measured at EIR	(67.83)	7.57
Financial Instrument (Borrowings) measured at EIR	6.35	1.12
Lease Liability Impact	0.33	(1.53)
Special Reserve Created u/s 36(1)(viii)	2.62	4.34
Unrealised net gain/loss on fair value changes	-	0.13
Deferred Tax Assets	**(45.28)**	**18.09**

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

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	0.46	(0.21)
Deferred Tax Assets	**0.46**	**(0.21)**

7.3 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

8. **Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2025:**

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2024	Addition	Deduction/Sale	As at March 31, 2025	As at April 01, 2024	For the Year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
A. Property, Plant and Equipment									
Furniture and fixtures	157.65	63.97	0.33	221.29	72.33	32.50	104.83	116.45	85.32
Vehicles	31.01	24.60	23.93	31.68	17.81	4.71	22.52	9.16	13.20
Office Equipments	88.35	37.16	0.19	125.32	57.25	19.82	77.07	48.26	31.11
Computers	102.49	4.88	-	107.37	88.88	8.31	97.19	10.18	13.61
Plant and Machinery	17.66	-	-	17.66	6.75	1.97	8.72	8.94	10.91
Sub Total	**397.16**	**130.61**	**24.45**	**503.32**	**243.02**	**67.31**	**310.33**	**192.99**	**154.15**
Previous Year	342.75	54.41	-	397.16	183.07	59.95	243.02	154.14	159.69
B. Right of use Assets									
Office Premises (Right of Use asset)	973.71	399.71	-	1,373.42	352.68	154.98	507.66	865.77	621.03
Sub Total	**973.71**	**399.71**	**-**	**1,373.42**	**352.68**	**154.98**	**507.66**	**865.77**	**621.03**
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	208.43	34.94	-	243.36	115.55	30.34	145.89	97.47	92.90
Sub Total	**208.43**	**34.94**	**-**	**243.36**	**115.55**	**30.34**	**145.89**	**97.47**	**92.90**
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
d. Investment Property									
Residential Flat	-	123.66	-	123.66	-	5.10	5.10	118.56	-
Sub Total	**-**	**123.66**	**-**	**123.66**	**-**	**5.10**	**5.10**	**118.56**	**-**
Previous Year	-	-	-	-	-	-	-	-	-

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

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

Particulars	31-Mar-25	31-Mar-24
Rental income	5.50	-
Less: Direct operating expenses that generated rental income	-	-
Less: Direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties	-	-
Less: Depreciation for the year	5.10	-
Profit after depreciation	**10.60**	**-**

(ii) Fair Value of investment properties

Particulars	31-03-2025	31-03-2024
Fair value	118.56	-
Total	**118.56**	**-**

(iii) Leasing arrangements

The aforementioned investment property is leased under long term operating lease agreements with rentals payable monthly.
Minimum payments expected to be received under non - cancellable subleases at the balance sheet date:-

Particulars	31-03-2025	31-03-2024
Not later than 1 year	6.00	-
Later than 1 year but not later than 3 years	7.10	-
Total	**13.10**	**-**

The investment property was purchased during the current year itself therefore the fair value of the property was taken as per the stamp duty value and the same was executed at the market rate.

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2024

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	As at April 01, 2023	Addition	Deduction/Sale	As at March 31, 2024	As at April 01, 2023	For the Year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
A. Property, Plant and Equipment									
Furniture and fixtures	130.48	27.17	-	157.65	49.85	22.48	72.33	85.31	80.63
Vehicles	19.95	11.06	-	31.01	15.06	2.75	17.81	13.20	4.89
Office Equipments	79.54	8.81	-	88.35	42.28	14.97	57.25	31.11	37.27
Computers	95.12	7.37	-	102.49	71.55	17.33	88.88	13.61	23.57
Plant and Machinery	17.66	-	-	17.66	4.33	2.42	6.75	10.91	13.33
Sub Total	**342.75**	**54.41**	**-**	**397.16**	**183.07**	**59.95**	**243.02**	**154.14**	**159.69**
Previous Year	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69	189.78
B. Right of use Assets									
Office Premises (Right of Use asset)	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03	679.98
Sub Total	**817.86**	**93.97**	**-**	**911.84**	**110.85**	**121.00**	**231.86**	**679.98**	**707.01**
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90	92.32
Sub Total	**130.57**	**49.50**	**-**	**180.06**	**56.04**	**31.69**	**87.73**	**92.33**	**74.52**
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52

Notes

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

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

9. Other non- financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Statutory Authorities	8.99	0.44
Prepaid expenses	27.99	27.83
Total	**36.98**	**28.27**

10. Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	4,212.89	5,139.02
- From Other Non-Banking Financial Companies	11,256.53	8,725.81
- From National Housing Bank	347.17	627.92
Overdraft:		
- From Banks	716.18	2,003.58
Total	**16,532.77**	**16,496.33**
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	2,246.85	1,745.64
- From Related Parties	-	-
- From Other Parties	-	-
Total	**2,246.85**	**1,745.64**
Out of Above:		
In India	**18,779.62**	**18,241.97**
Outside India	-	-

10.1 Nature of Security

a Term Loans from Banks are secured against hypothecation of present / future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.

b Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.

c The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present / future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.

d Overdraft Facility from Federal Bank, CUB and CSB is against pledge of customers' gold with maximum margin of 25% and Overdraft facility from ICICI Bank is DLOD with security cover of 1.25 times maintained through receivables. Corporate guarantee of holding company and personal guarantee of MD/Directors is given in these Overdraft facilities. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank & Federal Bank and Rs 1.5 Crore with ICICI Bank.

e Quarterly Returns filed with NHB are in agreement with the books of accounts.

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

g The company has taken unsecured loan from a Non- Banking Financial Company which is repayable on demand.

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

10.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2025

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks ROI 10.85%-15.00%	1,558.81	1,976.73	677.36	-	4,212.89
From National Housing Bank (NHB) ROI 8.7%-8.8%	347.17	-	-	-	347.17
From Non-Banking Financial Companies ROI 11.60%-14%	5,310.13	5,536.70	409.71	-	11,256.53
Overdraft:					
From Banks ROI 9.50%-10.75%	716.18	-	-	-	716.18
Total Secured	**7,932.29**	**7,513.42**	**1,087.07**	**-**	**16,532.77**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies ROI 12.00%	-	2,246.85	-	-	2,246.85
Total Unsecured	**-**	**2,246.85**	**-**	**-**	**2,246.85**
Total	**7,932.29**	**9,760.27**	**1,087.07**	**-**	**18,779.62**
EIR Impact					**125.69**
Total					**18,905.31**

Terms of Repayment of Term Loans and Debentures as at March 31, 2024

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks ROI 10.65%-15.00%	1,597.98	2,447.02	832.43	261.58	5,139.01
From National Housing Bank (NHB) ROI 8.25%-8.35%	254.49	204.73	102.64	66.06	627.92
From Non-Banking Financial Companies ROI 11.60%-14.50%	3,395.66	4,781.65	548.51	-	8,725.82
Overdraft:					
From Banks ROI 9.50%-12.10%	2,003.58	-	-	-	2,003.58
Total Secured	**7,251.71**	**7,433.40**	**1,483.58**	**327.64**	**16,496.33**
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies ROI 12.00%	-	1,745.64	-	-	1,745.64
Total Unsecured	**-**	**1,745.64**	**-**	**-**	**1,745.64**
Total	**7,251.71**	**9,179.04**	**1,483.58**	**327.64**	**18,241.97**
EIR Impact					**150.92**
Total					**18,392.89**

10.3 The company has not been declared wilful defaulters by any bank or financial institution or other lenders.

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

11. Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability* (Note 11.a)	993.09	712.28
Total	**993.09**	**712.28**

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

a. Lease Liability Movement

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	712.28	741.36
Add:		
Addition during the year	399.71	101.55
Interest on lease Liability	84.17	63.59
Less:		
Derecognised during the year	-	(44.59)
Lease Rental Payments	(203.07)	(149.63)
Balance as at the end of the year	**993.09**	**712.28**

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Less than One year	0.85	4.56
One to five Year	228.35	110.12
More than five Year	763.90	597.60
Total	**993.09**	**712.28**

12. Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest Accrued But Not Due on Borrowings	89.84	76.70
Expenses payable	126.63	128.88
Payable to Statutory Authorities	47.45	36.45
Other Payables	4.57	5.74
Total	**268.49**	**247.77**

13. Current Tax Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Provision	533.88	407.97
Less: Advance tax and Tax deducted at source	438.03	306.46
Total	**95.85**	**101.51**

14. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
-Gratuity	55.03	36.01
-Leave Encashment	9.46	6.66
Total	**64.49**	**42.67**

15. Other non financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Interest Received on Loans	9.88	1.70
Total	**9.88**	**1.70**

16. Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	100,000,000	10,000.00	70,000,000	7,000.00
Issued, subscribed and fully paid- up shares	**84,758,164**	**8,475.82**	**65,923,000**	**6,592.30**

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	65,923,000	6,592.30	65,923,000	6,592.30
- Issued during the year (Right Issue)	18,835,164	1,883.52	-	-
Total Outstanding at the end of the period	**84,758,164**	**8,475.82**	**65,923,000**	**6,592.30**

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

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%

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

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal	7,393,428	8.72%	7,393,460	11.22%
Mrs. Sunita Bansal	6,942,410	8.19%	6,942,410	10.53%

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

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

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal #	7,393,428	8.72%	7,393,460	11.22%
Ms. Sunita Bansal #	6,942,410	8.19%	6,942,410	10.53%
M/s Gopal Bansal (Huf) *	2,007,734	2.37%	2,007,734	3.05%
Mr. Virender Kumar Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Santosh Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Kriti Suri #	1,480,010	1.75%	1,480,010	2.25%
Mr. Ashish Bansal #	681,201	0.80%	681,201	1.03%
Ms. Nirmala Devi $	681,201	0.80%	681,201	1.03%
Mr. Naresh Kumar Bansal $	681,201	0.80%	681,201	1.03%
Ms. Charu Bansal $	681,201	0.80%	681,201	1.03%
M/s Arvind Kumar Bansal (Huf) *	209,990	0.25%	209,990	0.32%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%
Mrs. Nidhi Bansal*	10	0.00%	-	-
Mrs. Ganga Devi Bansal*	10	0.00%	-	-
Mrs. Renu Bansal*	10	0.00%	-	-

* Relatives of Promoter Mr. Gopal Bansal
# having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.
$ Relatives of Promoter Mr. Ashish Bansal

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17. Other Equity

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

Particulars	As at March 31, 2025		As at March 31, 2024	
Statutory Reserve				
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)				
Balance as per last financial statements	653.69		410.66	
Add: Transferred during the year	362.55		243.03	
Net Balance of Special Reserve		1,016.24		653.69
Securities Premium				
Opening balance	1,021.19		1,021.19	
Add: addition/(deletion) during the year	1,573.99		-	
Closing balance		2,595.18		1,021.19
Retained earnings				
Opening balance	2,439.38		1,467.26	
Add: Profit/(loss) for the year	1,812.75		1,215.15	
Less: Appropriation to Statutory reserve	(362.55)		(243.03)	
Closing balance		3,889.58		2,439.38
Equity instruments through other comprehensive income				
Opening balance	(2.95)		(3.57)	
Add: addition/(deletion) during the year	(1.35)		0.62	
Closing balance		(4.30)		(2.95)
Total		**7,496.70**		**4,111.31**

17.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
On financial assets measured at amortised cost		
- on loans	6,792.07	5,999.08
- Interest on Deposits with Banks	58.79	84.51
Total	**6,850.86**	**6,083.60**

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19. Fees and Commission Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fees and Other Charges	213.15	195.49
Total	**213.15**	**195.49**

20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial insturments designated through profit & loss	-	11.97
	-	11.97
(B) Others	-	-
Net gain on fair value changes	**-**	**24.47**
Fair Value Changes:		
- Realised	-	11.97
- Unrealised	-	-
Net gain on fair value changes	**-**	**11.97**

21. Other Income From Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Income From Operation	47.17	42.46
Total	**47.17**	**42.46**

22. Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Interest Income	3.22	3.38
Advertisement Income	2.85	34.05
Other Misc. Income	19.83	6.60
Total	**25.90**	**44.03**

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

23. Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial liabilities measured at amortised cost		
- Interest on borrowings	2,420.42	2,248.51
- Interest expense on lease liabilities	84.17	63.58
- Bank Charges	28.26	14.28
Total	**2,532.85**	**2,326.37**

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On Financials Instruments measured at amortised Cost		
- Loans	-	48.79
Total	**-**	**48.79**

25. Employee benefits expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and Wages	1,155.29	1,263.02
Contribution to Provident and Other Funds	59.56	83.66
Staff Welfare Expenses	16.33	23.80
Other Benefits	106.12	66.90
Total	**1,337.30**	**1,437.39**

26. Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement expenses	18.90	11.92
Bad Debts written off	3.56	-
Payments to Auditors	3.05	2.18
Insurance Expense		
- Car Insurance	0.14	0.16
- Office Insurance	35.84	29.59
Commission expenses	0.47	1.12
Conveyance expenses	42.36	122.12
Communication Expense	5.80	10.22
Director's Sitting Fees	2.72	1.72
Documentation & stamp charges	13.61	1.77
Document Handling & Storage Expense	6.56	6.52
Donations		
- for Corporate Social Responsibility	15.47	15.01
Fee & subscriptions	42.80	33.80
Interest on government dues	16.89	0.07
Legal & technical charges	20.99	41.60
Professional charges	128.41	125.26
Business Development Expenses	0.72	72.89
Debt Syndication Charges	12.50	20.00
Printing & Stationery	11.27	14.50
Power & Fuel	31.82	25.48
Postage & Courier	3.15	7.95
Rent expenses	55.20	50.77
Repair & Maintenance		
- Office Repair & Maintenance	23.08	41.11
- Vehicle Repair & Maintenance	0.28	0.63
- Computer Repair & Maintenance	-	0.17
Software expenses	44.11	41.95
Server Maintenance Charges	19.79	6.97
Tour & travelling expenses	6.81	2.99
Other expenses	50.98	62.91
Total	**617.28**	**751.38**

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
- for statutory audit	1.64	1.36
- for tax audit	0.55	0.44
- for certification fees	0.86	0.38
Total	**3.05**	**2.18**

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

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For Corporate Social Responsibility	15.47	15.01
Total	**15.47**	**15.01**

26.2.1

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	18.44	12.01
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	3.00	-
d) Amount of Expenditure incurred during the year	15.47	15.01
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	0.03	3.00
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, animal welfare, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	533.88	407.96
Adjustment in respect of current income tax of prior years	-	-
Deferred Tax		
Deferred Tax Charge	45.28	(18.09)
Adjustment in respect of prior Year	-	-
Income tax expense reported in Statement of Profit and Loss	**579.16**	**389.87**

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is, as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	2,391.91	1,605.03
At India's statutory income tax rate of 25.168% (2021: 25.168%)	602.00	403.96
Reconciling Items		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	5.00	7.61
Corporate Social Responsibility and Others	17.84	8.33
Income tax expense reported in the Statement of Profit and Loss	**579.16**	**419.90**

28. Earnings per Equity share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit attributable to ordinary equity holders	1,812.75	1,215.27
Weighted average number of equity shares for basic earnings per share	685.16	659.23
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	685.16	659.23
Earnings per equity share:		
Basic earnings per share (Rs.)	**2.65**	**1.84**
Diluted earnings per share (Rs.)	**2.65**	**1.84**

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29. Special reserve:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 19.85 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 342.70 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:

(i) Defined Contribution Plan:

a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 34.93 Lakhs (March 31, 2024: Rs. 58.99 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.

b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 5.62 lakhs (March 31, 2024: Rs. 12.96 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

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

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

Net Liability/(assets) recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the end	55.03	36.01

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Service Cost	14.62	9.67
Net Interest Cost	2.59	1.99
Total expense recognised in the employee benefit expense	17.21	11.66

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

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Present value of obligation as at the beginning of the year	36.01	27.09
Service cost	14.62	9.67
Net Interest Cost	2.59	1.99
Re-measurements	3.61	(0.82)
Benefit paid	(1.80)	(1.92)
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	**55.03**	**36.01**

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

Particular	As at March 31, 2025	As at March 31, 2024
i) Discount rate	7.18%	7.18%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100%

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

b. Leave Encashment: The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 9.45 Lakhs.

Expense recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Total Employer Expense	4.81	2.10

Balance Sheet Position as on valuation date

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Net asset/(liability) recognised in balance sheet	(9.45)	(5.88)

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31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	1135.59	-	1135.59	217.74	-	217.74
(b) Bank Balance other Cash and cash equivalents	269.13	124.75	393.88	680.75	213.13	893.88
(c) Loans*	23,730.78	9,250.82	32,981.60	14,291.91	13,420.77	27,712.68
(d) Investments	-	-	-	-	-	-
(e) Other financial assets	147.04	65.09	212.13	60.90	74.40	135.30
Total Financial assets	**25282.54**	**9440.66**	**34723.20**	**15,251.29**	**13,708.31**	**28,959.60**
Non-financial assets						
(a) Deferred tax assets (net)	-	150.75	150.75	-	195.57	195.57
(b) Property, plant and equipment	-	192.99	192.99	-	154.14	154.14
(c) Right to use Asset	-	865.77	865.77	-	621.03	621.03
(d) Investment Property	-	118.56	118.56	-	-	-
(d)Intangible assets under development	-	-	-	-	-	-
(e) Other intangible assets	-	97.47	97.47	-	92.90	92.90
(f) Other non-financial assets	8.99	27.99	36.98	0.44	27.83	28.27
Total Non-financial assets	**8.99**	**1,453.53**	**1,462.52**	**0.44**	**1,091.47**	**1,091.91**
Total Assets	**25,291.53**	**10,894.19**	**36,185.72**	**15,251.73**	**14,799.78**	**30,051.51**

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

(Rs. in lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

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(b) Borrowings (other than debt securities)	7,932.28	10,847.34	18,779.62	7,251.71	10,990.26	18,241.97
(c) Other financial liabilities	268.49	993.09	1,261.58	247.77	712.28	9,60.05
Total Financial liabilities	**8,200.77**	**11,840.43**	**20,041.20**	**7,499.48**	**11,702.54**	**19,202.02**
Non-financial liabilities						
(a) Current tax liabilities (net)	95.85	-	95.85	101.51	-	101.51
(b) Provisions	9.46	55.03	64.48	6.66	36.01	42.67
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non-financial liabilities	-	9.88	9.88	-	1.70	1.70
Total Non-financial liabilities	**105.31**	**64.91**	**170.21**	**108.17**	**37.71**	**145.88**
(a) Equity share capital	-	8,475.82	8,475.82	-	6,592.30	6,592.30
(b) Other equity	-	7,498.48	7,498.48	-	4,111.31	4,111.31
Total Equity	-	**15,974.30**	**15,974.30**	-	**10,703.61**	**10,703.61**
Total Liabilities and Equity	**8306.08**	**27879.64**	**36,185.72**	**7,607.65**	**22,443.86**	**30,051.51**

32. Contingent liabilities and commitments:

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2025	As at March 31, 2024
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	**NIL**	**128.59**
	-Towards sanction pending disbursement	NIL	56.82
	-Towards part disbursement	Nil	71.77
(V)	Pending capital commitment	-	-

33. Capital

Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

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(Rs. in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Tier I capital	14,860.31	10,703.61
Tier II capital	2,353.65	1823.91
Total capital (Tier I + Tier II)	**17,213.96**	**11,618.02**
Adjusted value of funded risk assets i.e. On Balance Sheet Item	26,173.87	18,420.85
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	0.00	64.29
Total Risk weighted assets	**26,173.87**	**18,485.15**
Tier I capital ratio	56.78%	52.98%
Tier II capital ratio	8.99%	9.87%
Total capital ratio	**65.77%**	**62.85%**

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2025 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

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Investments at fair value through profit or loss: For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2025	AS AT MARCH 31, 2024	AS AT MARCH 31, 2025	AS AT MARCH 31, 2024
Financial assets					
Cash and cash equivalents	1	1,135.59	217.74	1,135.59	217.74
Bank Balance other Cash and cash equivalents	1	393.88	893.88	393.88	893.88
Loans	3	32,981.60	27,712.68	32,981.60	27,712.68
Other financial assets	3	212.13	135.30	212.13	135.30
Financial assets		**34,723.20**	**28,959.60**	**34,723.20**	**28,959.60**
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	-	-	-	-
Borrowings (other than debt securities)	3	18,779.62	18,241.97	18,779.62	18,241.97
Other financial liabilities	3	1,261.58	960.05	1,261.58	960.05
Financial liabilities		**20,041.20**	**19,202.02**	**20,041.20**	**19,202.02**

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:
a) Identifying the various risks associated with the activities of the Company and assessing their impact on the business.

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b) Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

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

As at March 31, 2025:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	28,614.86	4,341.44	221.98
Allowance for ECL	106.80	19.21	70.67
ECL Coverage Ratio (%)	**0.37%**	**0.44%**	**31.84%**

As at March 31, 2024:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	23,238.89	4,356.59	314.92
Allowance for ECL	78.27	20.87	98.58
ECL Coverage Ratio (%)	**0.34%**	**0.48%**	**31.30%**

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2024	78.27	20.87	98.58
New Addition/Reduction during the year	28.53	(1.66)	(27.91)
Impairment Loss Allowance as at March 31, 2025	**106.80**	**19.21**	**70.67**

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Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2025 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	1,135.59	-	-	-	-	-	-	-	1,135.59
Bank Balance other than Cash and cash equivalents	15.01	5.00	50.00	8.75	189.37	125.75	-	-	393.88
Loans	921.73	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	80.28	0.35	2.66	24.82	38.93	7.55	0.00	57.54	212.13
Financial Liabilities									
Payables									
Trade Payables									

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total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	623.82	609.59	600.21	1796.42	4302.24	9760.27	1087.07	0.00	18,779.62
Other financial liabilities	268.49	-	-	-	-	-	-	993.09	1261.58

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	217.74	-	-	-	-	-	-	-	217.74
Bank Balance other than Cash and cash equivalents	-	5.00	-	119.13	556.63	213.13	-	-	893.88
Loans	873.37	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	2.69	0.91	3.38	37.66	16.26	27.90	-	46.50	135.30
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises	-	-	-	-	-	-	-	-	-

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and small enterprises									
Borrowings (other than debt securities)	424.57	436.75	439.29	1,425.62	4,525.48	9,179.04	1,483.58	327.64	18,241.97
Other financial liabilities	235.60	2.23	-	9.94	-	-	-	712.28	960.05

C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	As at March 31, 2025	As at March 31, 2024
On Floating Rate Borrowings		
1% increase in interest rate	157.43	172.38
1% decrease in interest rate	(157.43)	(172.38)
On Floating Rate Loans and Advances		
1% increase in interest rate	12.54	15.96
1% decrease in interest rate	(12.54)	(15.96)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to

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financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

37. Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO) Ms. Shivani Jindal (Company Secretary)* Ms. Varsha Bharti (Company Secretary)**
(iii)	Relatives of Key Management Personnel	Ms. Sunita Bansal (Director)*** Ms. Ganga Devi Bansal

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		Ms. Santosh Bansal Mr. Virender Kumar Bansal Mr. Arvind Kumar Bansal Ms. Nidhi Bansal Ms. Charu Bansal Ms. Geetanjali Bansal Mrs. Renu Bansal
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Gopal Bansal HUF M/s Arvind Kumar Bansal HUF
(v)	Others	Mr. Jasvinder Singh Mrs. Anu Kaur

* appointed w.e.f 09.09.2024

** resigned w.e.f 13.07.2024

*** Change in Designation from Whole-time Director to Non-executive Director w.e.f 28.10.2024

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure":

-

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2025	31/03/2024	31/03/2025	31/03/2024
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	20.51	20.06	NIL
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	14.65	11.72	1.54	0.90
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	9.96	9.37	0.90	0.78
	Ms. Ashish Bansal	Director remuneration	14.65	14.65	1.14	1.09
	Ms. Prerna Matta Arora	Salary	23.63	19.64	2.07	2.04
	Mr. Somesh Tewari	Salary	NIL	31.42	NIL	NIL
	Ms. Varsha Bharti	Salary	2.99	5.39	NIL	0.85
	Ms. Shivani Jindal	Salary	4.45	NIL	0.66	NIL
	Mr. Vijay Kr. Dwivedi	Salary	NIL	5.33	NIL	NIL
(iii)	Relatives of Key Management Personnel: -					
	Ganga Devi Bansal	Loan Taken	167.53	27.00	NIL	NIL
		Loan Repaid	167.53	27.00	NIL	NIL

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		Interest Paid	7.52	0.19	NIL	NIL
	Santosh Bansal	Loan Taken	150.00	NIL	NIL	NIL
		Loan Repaid	150.00	NIL	NIL	NIL
		Interest Paid	8.67	NIL	NIL	NIL
	Virender Kumar Bansal	Loan Taken	176.11	NIL	NIL	NIL
		Loan Repaid	176.11	NIL	NIL	NIL
		Interest Paid	7.92	NIL	NIL	NIL
	Nidhi Bansal	Loan Taken	181.95	NIL	NIL	NIL
		Loan Repaid	181.95	NIL	NIL	NIL
		Interest Paid	7.02	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	19.20	1.44	1.44
	Geetanjali Bansal	Professional Charges	15.84	NIL	1.19	NIL
	India Finsec Limited	Allotment of Equity shares	3,484.51	NIL	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	7.63	NIL	10.90	NIL
	India Finsec Limited	Loan Taken	639.00	NIL	NIL	NIL
		Loan Repaid	639.00	NIL	NIL	NIL
		Interest Paid	14.13	NIL	NIL	NIL
(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

38. Segment reporting:

The Company's main business is lending against collateral of gold jewellery and existing portfolio includes loans for purchase, construction, repairs and renovation etc. of residential house and Loan against property as well. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

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39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2025	For the Year 31.03.2024	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	65.77%	62.85%	2.92%	Due to increase in Tier I Capital
(b) Tier I CRAR	Tier I Capital		56.78%	52.98%	3.80%	
(c) Tier II CRAR	Tier II Capital		8.99%	9.87%	-0.88%	Inclusion of Subordinated Debt
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	4.23	- 0.88	580.68%	Higher amount of Cash & Cash Equivalents.

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

During the year under review, the Company auctioned **1020** loan accounts (Previous Year: **1082** accounts). The outstanding dues on these loan accounts were **Rs. 467.15 Lakhs** (March 31, 2024: **Rs. 524.94 Lakhs**) exclusive of GST till the respective date of auction. The Company realized **Rs. 501.13 Lakhs** (March 31, 2024: **Rs. 528.59 Lakhs**) on auctioning of gold Jewellery taken as pledge on these loans. The Excess realized Amount was refundable to Customers.

41. The Company has passed a resolution in the board meeting dated 20 May 2024 to discontinue being housing finance company and to convert it into a NBFC and to file applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

42. During the financial year ended March 31, 2025, the company has not reclassified the comparative figures.

43. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

44. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2024-25.

45. The Company has entered into a Co-Lending arrangement with Grow Money Capital Private Limited (GMCPL) for the purpose of onward lending during FY 2024-25 at New Delhi, India in the lending ratio of 90 (GMCPL) : 10 (IFL Finance Ltd.). Owing to this, Total Assets under Management of the Company as on 31 March 2025 is INR 33,211.36 lacs, which includes Gross Owned Portfolio of INR 33,178.27 lacs and Managed Portfolio of INR 33.09 lacs.

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46. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	28,614.85	106.80	28,508.05	100.23	6.57
	Stage 2	4,341.44	19.21	4,322.23	16.33	2.88
Sub Total		**32,956.29**	**126.01**	**32,830.28**	**116.56**	**9.45**
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	32.69	8.87	23.81	4.71	4.16
Doubtful- upto 1 Year	Stage 3	129.88	29.68	100.20	26.27	3.41
1 to 3 Year	Stage 3	39.32	12.02	27.30	12.02	-
More than 3 Years	Stage 3	8.71	8.71	-	8.71	-
Sub Total for Doubtful		**177.91**	**50.42**	**127.50**	**47.00**	**3.41**
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		**221.98**	**70.67**	**151.13**	**63.09**	**7.58**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
	Stage 1	**28,614.85**	**106.80**	**28,508.05**	**100.23**	**6.57**
	Stage 2	**4,341.44**	**19.21**	**4,322.23**	**16.33**	**2.88**
	Stage 3	**221.98**	**70.67**	**151.13**	**63.09**	**7.58**
Total		**33,178.26**	**196.67**	**32,981.59**	**179.65**	**17.03**

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

47. **Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021**

Particulars	As at March 31, 2025	
Liabilities side	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits")		
(b) Deferred Credits		
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	18,869.46	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
	-	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
Asset side	**Amount Outstanding as at March 31, 2025**	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	33,178.27	
(b) Unsecured	-	
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease	-	
(b) Operating Lease	-	
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire	-	
(b) Repossessed Assets	-	
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of Mutual Funds	-	
(iv) Government Securities	-	
(v) Others	-	
b. Unquoted		
(i) Shares		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of Mutual Funds	-	
(iv) Government Securities	-	
(v) Others	-	
Long Term Investments		

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

a. Quoted	
(i) Shares	
(a) Equity	
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
b. Unquoted	-
(i) Shares	
(a) Equity	
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
	-

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

Category	Amount Net of Provision as at March 31, 2025		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	32,981.60	-	32,981.60
Total	32,981.60	-	32,981.60

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

Category	Amount Net of Provision as at March 31, 2025		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Total	-	-	-

** As per notified Indian Accounting Standard (Please see Note 3)

8. Other Information

Particulars	Amount as at March 31, 2025
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	221.98
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	151.31
(iii) Asset acquired in satisfaction of Debt	-

Notes:

a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.

b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.

c. All notified Indian Accouting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

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

48. Additional Disclosures In Terms of NHB Guidelines

48.1 Principal Business Criteria:

48.1.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. As per para 5.3 of Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, out of the Company's total assets (netted off by intangible assets) as on 31st March 2025, not less than 60% should be by way of housing finance and not less than 50% should be by way of housing finance to individuals.

b. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 32.26% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) as on 31 March 2025 (Previous Year was 51.70%). Out of the total assets (netted off by intangible), 32.26% is by way of housing finance for individuals (Previous Year was 51.70%).
Therefore, PBC criteria as mentioned in point (a) above was not met as on 31 March 2025.

48.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2025	As at March 31, 2024
(i) CRAR (%)	65.77%	62.85%
(ii) CRAR-Tier I Capital (%)	56.78%	52.98%
(iii) CRAR-Tier II Capital (%)	8.99%	9.87%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

48.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	337.42	124.64
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act,1987	316.27	286.02
c) Total	653.69	410.66
Addition/Appropriation/Withdrawal during the year		
Add:		
a)Amount transferred u/s 29C of the NHB Act,1987	-	-
Current Year	342.70	212.78
Previous Year Short Created	-	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	19.85	30.25
Less:		
a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	680.12	337.42
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act. 1987	336.12	316.27
c) Total	1,016.24	653.69

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

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48.4 Investments

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

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investments		
(i) Gross value of investments		
(a) In India	-	-
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	-	-
(b) Outside India	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

48.5 Derivatives

48.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements	Not Applicable	Not Applicable
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps $	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.
$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.
@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

48.5.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

48.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence Clause 51.5.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021, is not Applicable

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B. Quantitative Disclosure

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

48.6 Securitisation

48.6.1

Particulars	As at March 31, 2025	As at March 31, 2024
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	Not Applicable
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	Not Applicable
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
(I) Off-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit Enhancements	Not Applicable	Not Applicable
a) Exposure to own securitizations	Not Applicable Not Applicable	Not Applicable Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements		
a) Exposure to own securitisations	Not Applicable Not Applicable	Not Applicable Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable

*Only the SPVs relating to outstanding securitisation transactions may be reported here

48.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at March 31, 2025	As at March 31, 2024
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

48.6.3 Details of Assignment transactions undertaken by HFCs

Particulars	As at March 31, 2025	As at March 31, 2024
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

48.6.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Particulars	As at March 31, 2025	As at March 31, 2024
1. (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Particulars	As at March 31, 2025	As at March 31, 2024
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

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IFL FINANCE LIMITED NEW DELHI

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)
CIN: U65910DL2015PLC285284
NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

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

48.7 Asset Liability Management:

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2025

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	45.13	-	97.59	142.91	143.13	393.53	736.51	1,976.73	677.36	-	4,212.89
Market Borrowings											
- FI	231.04	21.66	163.93	466.68	457.08	1,371.07	2,598.67	7,783.55	409.71	-	13,503.38
- NHB	64.47	-	-	-	-	31.83	250.87	-	-	-	347.17
Overdraft From Banks							716.18	-	-	-	716.18
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	177.56	389.05	355.12	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
	340.64										

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	38.19	-	95.30	133.58	133.86	402.50	794.55	2,447.02	832.43	261.58	5,139.01
Market Borrowings											
- FI	125.65	26.40	139.03	303.17	305.43	938.29	1,557.69	6,527.29	548.51	-	10,471.46
- NHB	-	-	-	-	-	84.83	169.66	204.73	102.64	66.06	627.92
Overdraft From Banks	-	-	-	-	-	-	2,003.58	-	-	-	2,003.58
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	112.95	534.52	225.90	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

AJAY RATTAN & CO. New Delhi Chartered Accountants

IFL FINANCE LIMITED NEW DELHI

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

48.8 Exposure

48.8.1 Exposure to Real Estate Sector

Particulars Category	As at March 31, 2025	As at March 31, 2024
A)Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	12,107.18	16,304.54
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	11,004.92	14,511.29
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	18.98	36.71
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**12,126.17**	**16,341.25**

48.8.2 Exposure to Capital Market

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

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IIFL FINANCE LIMITED NEW DELHI

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

48.8.3 Details of financing of parent company products

No financing of parent company products is done.

48.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

48.8.5 Unsecured Advances

a. The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

b. The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.

48.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

49 Miscellaneous

49.1 Registration obtained from other financial sector regulators

• Registration of the Company as LEI (Legal Entity Identifier) as required by RBI wide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2025.

• The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 2016

49.2 Disclosure of Penalties imposed by NHB and other regulators

i] There is no penalty imposed by NHB or other regulator during AY 2024-25.

ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/-+ GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

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IFL FINANCE LIMITED NEW DELHI

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49.3 **Related party Transactions**

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

Related Party	*Parent*		*Subsidiaries*		*Associates/ Joint ventures*		*Key Management*		*Relatives of Key Management Personnel*		*Others**		*Total*	
	(as per ownership or control)													
Item	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Transactions during the year														
Borrowings Taken	639.00	-	NA	NA	NA	NA		-	675.59	27.00		-	1,314.59	27.00
Borrowings Repaid	639.00								675.59	27.00			1,314.59	27.00
Deposits#		-	NA	NA	NA	NA		-		-		-		
Placement of deposits#		-	NA	NA	NA	NA		-		-		-		
Advances Given#		-	NA	NA	NA	NA		-		-		-		
Investments#		-	NA	NA	NA	NA		-		-		-		
Purchase of fixed/other assets		-	NA	NA	NA	NA		-		-		-		
Sale of fixed/other assets		-	NA	NA	NA	NA		-		-		-		
Interest paid	14.13	-	NA	NA	NA	NA		-	31.13	0.19		-	45.26	0.19
Others														
a Rent Paid		-	NA	NA	NA	NA	9.00	9.00		-	9.00	9.00	18.00	18.00
b Director Remuneration		-	NA	NA	NA	NA	68.56	46.88		-		-	68.56	46.88
c Salary		-	NA	NA	NA	NA	31.07	71.15		-		-	31.07	71.15
d Professional Charges		-	NA	NA	NA	NA		-	35.04	19.20		-	35.04	19.20
e Commission on Corporate Guarantee	7.63	10.90	NA	NA	NA	NA		-		-		-	7.63	10.90
f Allotment of equity shares	3,484.50	-	NA	NA	NA	NA		-		-		-	3,484.50	-

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IFL FINANCE LIMITED NEW DELHI

49.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report.

49.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	CRISIL Ratings Limited	CRISIL BBB-/Stable	6th November 2024	5th November 2025

49.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

49.7 Management

As provided in Board of Directors' Report.

49.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2025
Net Profit for the period (before tax)	2,391.91
Prior Period Items	1.78
Changes in Accounting Policies	Nil

49.9 Revenue Recognition

There is no deferment of revenue recognition.

49.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

49.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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

50 Additional Disclosures

50.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2025	As at March 31, 2024
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	533.88	407.97
3. Provision towards NPA	70.66	98.57
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	126.01	99.14
5. Provision for Sub-standard assets	8.87	31.45
6. Provision for Doubtful assets	50.42	55.76
7. Provision for Loss Assets*	11.38	11.38
8. Provision for Employee Benefits	64.49	42.67
9. Other Provision and Contingencies (with details)	-	-

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

Break up of Loan & Advances and Provisions thereon	As at March 31, 2025		As at March 31, 2024	
	Housing Loan	Non- Housing Loan	Housing Loan	Non- Housing Loan
Standard Assets				
a) Total Outstanding Amount	11,116.79	21,839.50	14,793.09	12,802.39
b) Provisions made	38.60	87.41	46.73	52.40
Sub-Standard Assets				
a) Total Outstanding Amount	28.21	4.47	142.42	15.08
b) Provisions made	7.65	1.22	28.45	3.00
Doubtful Assets – Category-I				
a) Total Outstanding Amount	120.14	9.74	96.95	15.68
b) Provisions made	27.39	2.30	31.44	5.11
Doubtful Assets – Category-II				
a) Total Outstanding Amount	29.55	9.76	21.49	11.93
b) Provisions made	9.02	3.00	12.24	6.97
Doubtful Assets – Category-III				
a) Total Outstanding Amount	8.48	0.23	-	-
b) Provisions made	8.48	0.23	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

50.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

50.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category- I
One to three years	Category- II
More than three years	Category- III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2024	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2025
Taxation (Current Tax)	407.97	533.88	407.97	533.88
Standard Assets	99.14	126.01	99.14	126.01
Sub-Standard Asset	31.45	67.36	89.95	8.86
Doubtful Asset	55.76	-	5.34	50.42
Loss Asset	11.38	-	-	11.38
Employee Benefits	42.67	21.82	-	64.49

50.2 Draw Down from Reserves

Company has not drawn any amount from reserves.

50.3 Concentration of Public Deposits, Advances, Exposures and NPAs

50.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable

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

50.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total loans & advances to twenty largest borrowers	586.36	583.88
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	1.77%	2.09%

Note:

Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding.
Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

50.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/customers	586.36	583.88
Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	1.76%	2.08%

Note:

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

50.3.4 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top ten NPA accounts	83.20	125.70
Total exposure to NPA accounts	221.98	314.92

50.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans:		
1. Individuals	1.75%	1.81%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	3.02%	3.37%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.00%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

50.4 Movement of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%)	0.46%	0.78%
(II) Movement of NPAs (Gross)		
a) Opening balance	314.92	249.16
b) Additions during the year	158.24	186.67
c) Reductions during the year	251.19	120.91
d) Closing balance	221.97	314.92
(III) Movement of Net NPAs		
a) Opening balance	216.34	194.11
b) Additions during the year	165.48	122.80
c) Reductions during the year	230.51	100.57
d) Closing balance	151.31	216.34
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	98.58	55.05
b) Provisions made during the year	67.36	63.87
c) Write-off/write-back of excess provisions	95.28	20.34
d) Closing balance	70.66	98.58

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IFL FINANCE LIMITED NEW DELHI

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

50.5 Overseas Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Overseas Assets	-	-

50.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

50.7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Loan Outstanding against Collateral of Gold Jewellery	21,052.11	11,569.16
Gross Total Loans Outstanding	33,178.27	27,910.40
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	63.45%	41.45%

51. Disclosure of Complaints

Customers Complaints

(In Numbers)

Particulars	As at March 31, 2025	As at March 31, 2024
a) No. of complaints pending at the beginning of the year	-	1
b) No. of complaints received during the year	4	3
c) No. of complaints redressed during the year	4	4
d) No. of complaints pending at the end of the year	-	-

52 Fraud Cases

52.1

Particulars	As at March 31, 2025		As at March 31, 2024	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	1	11.38	2	19.08
Additional Loan Accounts detected as Fraud during the Year	-	-	1	7.00
Amount Recovered during the year	-	-	2	14.70
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	1	11.38	1	11.38
Provision Created		11.38		11.38

53 Disclosure in pursuant to Guidelines for Entry of Housing Finance Companies into Insurance Business:

53.1 The Company is not engaged in the business of Insurance Agency.

54 During the year:

54.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.

54.2 No prior period items occurred which has impact on profit and loss account.

54.3 No change in any accounting policy.

54.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

54.5 There was no withdrawal from Reserve fund.

54.6 Company has not accepted public deposits.

54.7 The company do not have an exposure to teaser rate loans.

55 Event occurring after Balance sheet Date :

55.1 The Company has changed its name from IFL Housing Finance Limited to IFL Finance Limited as required by Reserve Bank of India (RBI). A new Certificate of Incorporation reflecting the updated name was issued on 8th April 2025. Additionally, the original Certificate of Registration (CoR) as a Housing Finance Company, issued in the name of IFL Housing Finance Limited, was submitted to the RBI Delhi Office on 9th April 2025 for the issuance of a new CoR under the Company's revised classification as NBFC-ICC

56 The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, Indian accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

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AJAY RATTAN & CO. New Delhi Chartered Accountants

IFL FINANCE LIMITED NEW DELHI

57. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

58. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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

AJAY RATTAN & CO. New Delhi Chartered Accountants

CA. Varun Garg
Partner
Membership No. 523588

New Delhi, the 22nd day of May, 2025
UDIN- 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED NEW DELHI

IFL FINANCE LIMITED
(Formerly Known as IFL Housing Finance Ltd.)
D-16, First Floor, above ICICI Bank, Prashant Vihar, Sector-14
Rohini, New Delhi – 110085 | **CIN** U65910DL2015PLC285284

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS ("BOARD") OF M/S IFL FINANCE LIMITED (FORMERLY KNOWN AS IFL HOUSING FINANCE LIMITED) ("COMPANY") HELD ON WEDNESDAY, 07TH DAY OF JANUARY 2026, COMMENCED AT 03:00 P.M. AND CONCLUDED AT 03:45 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT D-16, FIRST FLOOR, ABOVE ICICI BANK, PRASHANT VIHAR, SECTOR-14, ROHINI, DELHI-110085

ISSUANCE OF LISTED NON-CONVERTIBLE DEBENTURES

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179(3)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Companies Act**"), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**" or "**SEBI Debt Listing Regulations**"), and the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" to the extent applicable in respect of the private placement of debt securities ("**SEBI Listed NCDs Master Circular**"), each as amended, modified, or restated from time to time, or any other regulatory authority, whether in India or abroad, and in accordance with the memorandum of association and the articles of association of the Company and the listing agreements entered into with the stock exchanges (the "**Stock Exchanges**") where the securities of the Company may be listed, and subject to such approvals, consents, sanctions or permissions as may be required from any statutory or regulatory authority, and the approval of the shareholders of the Company as may be required in accordance with the Companies Act, the approval of the Board be and is hereby accorded for:

(a) preparing, finalising and submitting to any Stock Exchange(s) a general information document prepared in accordance with the SEBI NCS Regulations and the SEBI Listed NCDs Master Circular for issuance of any listed non-convertible debentures in one or more tranches;

(b) the offer, issue and allotment of 16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) or such other number of debentures, face value, and amount as may be agreed ("**Debentures**"), at 12.25% (twelve decimal two five percent) per annum (fixed), or such other interest rate as may be agreed, subject to step up in accordance with the Transaction Documents (as defined below), payable monthly or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period not exceeding 24 (twenty four) months from the deemed date of allotment of the Debentures or such other maturity period (subject to applicable law) as may be agreed, on a private placement basis to Northern Arc Capital Limited and/or its identified affiliates/designated entities (being the persons identified by the Company for the

For IFL FINANCE LIMITED
Director

For IFL FINANCE LIMITED
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purposes of Section 42 of the Companies Act) ("**Investor(s)**"), on such terms as may be agreed with the Investor(s) for raising debt for the onward lending purposes of the Company, and/or such other purposes as may be agreed with the Investor(s); and

(c) securing/supporting the amounts to be raised pursuant to the issue of the Debentures together with all interest and all other amounts and charges thereon (up to such limits and security cover as may be agreed with the Investors) by one or more of the following (i) hypothecation of certain identified book debts/loan receivables and/or unencumbered fixed deposits of the Company and/or any other assets of the Company, (ii) the demand promissory note and the letter of continuity to be provided by the Company in favour of the Debenture Trustee in respect of the Debentures, (iii) undated cheques in favor of the Debenture Trustee for payments of the outstanding amounts (including interest payments) in respect of the Debentures, (iv) unconditional and irrevocable personal guarantees to be provided by each of Mr. Gopal Bansal and Mrs. Sunita Bansal ("**Personal Guarantors**"), and/or (v) such other security or contractual comfort as may be agreed in terms of the issuance of the Debentures ((i) to (v) are collectively referred to as the "**Transaction Security/Contractual Comfort**").

RESOLVED FURTHER THAT Mr. Gopal Bansal, Managing Director, Ms. Prerna Matta Arora, Chief Financial Officer and Ms. Shivani Jindal, Company Secretary of the company (collectively, the "**Authorised Persons**") be and are hereby severally authorised to do all such acts, deeds and things as they deem necessary or desirable in connection with the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures, including, without limitation the following:

(a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities and any other person (including any lenders of the Company), and/or any other approvals, consent or waivers that may be required in connection with the offer, issue and allotment of the Debentures;

(b) executing the term sheet in relation to the Debentures;

(c) negotiating, approving and deciding the terms of the offer, issue and allotment of the Debentures and all other related matters;

(d) seeking the listing of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;

(e) providing such information/disclosures in accordance with the requirements of the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025 on "*Master Circular for Debenture Trustees*", to the extent applicable in respect of the private placement of debt securities, as amended, modified, supplemented or restated from time to time;

(f) completing all requirements prescribed under Chapter V of the SEBI bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025 on "*Master Circular for Debenture Trustees*" for issuance of non-convertible debentures with face value of INR 10,000 (Indian Rupees Ten Thousand) each;

(g) providing such information/disclosures in accordance with the SEBI NCS Regulations and the requirements of the SEBI Listed NCDs Master Circular, as amended, modified, supplemented or restated from time to time;

(h) preparing and finalising the general information document, and the key information document and private placement offer and application letter (collectively, the "**Debt Disclosure Documents**"), in accordance with all applicable laws, rules, regulations and guidelines, and approving the Debt Disclosure Documents;

For IFL FINANCE LIMITED

Director

For IFL FINANCE LIMITED

Director

(i) finalising the terms and conditions of the appointment of an arranger (if required), a debenture trustee, a registrar and transfer agent, a merchant banker (if required), a credit rating agency, a legal counsel, the depository(ies) and such other intermediaries including their successors and their agents, as may be required in relation to the offer, issue and allotment of the Debentures;

(j) finalising the terms of, and completing all applicable requirements for, the offer, issue and allotment of the Debentures;

(k) entering into arrangements with the depository(ies) in connection with the offer, issue and allotment of the Debentures in dematerialised form;

(l) finalising the deemed date of allotment of the Debentures;

(m) creating and perfecting the Transaction Security/Contractual Comfort as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the offer, issue and allotment of the Debentures;

(n) requesting, on behalf of the Company, each Personal Guarantor to provide unconditional and irrevocable joint and several personal guarantees in accordance with the terms of the Transaction Documents, in the form and manner prescribed by the Investors;

(o) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the offer, issue and allotment of the Debentures and co-ordinating with regulatory authorities in connection with the offer, issue and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, any Stock Exchange, the relevant registrar of companies, the Ministry of Corporate Affairs, or any depository(ies), and such other authorities as may be required;

(p) to execute all documents with, file forms with and submit applications to any Stock Exchange, the relevant registrar of companies, the Ministry of Corporate Affairs, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India or any depository(ies);

(q) to sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

(r) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

(i) the Debt Disclosure Documents for the offer, issue and allotment of the Debentures;

(ii) the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, the unconditional and irrevocable joint and several personal guarantees provided/to be provided by the Personal Guarantors, the demand promissory note and letter of continuity, and any other documents required for the creation of security interest over the Company's movable properties and assets or any other contractual comfort, or the offer, issue and allotment of the Debentures (including any power(s) of attorney in connection thereto), and

For IFL FINANCE LIMITED

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any other document in relation thereto ((i) and (ii) above are collectively referred to as the "**Transaction Documents**");

(iii) the debenture certificate(s) for the Debentures (if required);

(iv) any other documents required for the purposes of the offer, issue and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(v) any other document designated as a Transaction Document by the debenture trustee and/or the holders of the Debentures;

(s) to pay stamp duty required to be paid for the offer, issue and allotment of the Debentures in accordance with the laws of India;

(t) to do all such acts necessary for the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures in accordance with the terms set out in the Transaction Documents; and

(u) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the offer, issue and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures and the transactions contemplated thereby.

RESOLVED FURTHER THAT without prejudice to the resolutions set out above, any of (a) the executive Chairperson and compliance officer, or (b) Managing Director or Chief Executive Officer and compliance officer, or (c) Chief Financial Officer and compliance officer, or (d) whole-time director and compliance officer, or (e) any two key managerial personnel (as defined in the Companies Act) be and are hereby authorised to provide any attestation required in the Debt Disclosure Documents pursuant to paragraph 3.3.37 of Schedule I of the SEBI NCS Regulations, or in such manner and from such person as may be prescribed by/required by the relevant Stock Exchange.

RESOLVED FURTHER THAT the contents of the Transaction Documents including the general information document and the key information document have been perused by the board of directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the board of directors.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms in relation to the Transaction Security/Contractual Comfort and/or the offer, issue and allotment of the Debentures with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, the Ministry of Corporate Affairs, or the depository(ies), and/or any other relevant governmental authorities.

RESOLVED FURTHER THAT the Board hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the finalisation of the terms of, and completing all applicable requirements for, the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the finalisation of the terms of, and completing all

For IFL FINANCE LIMITED

Director

For IFL FINANCE LIMITED

Director

applicable requirements for, the offer, issue, allotment and listing of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the offer, issue and allotment of the Debentures, including through any intermediaries that may be authorised in this regard, in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to approve, finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to register or lodge for registration any Transaction Documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent as may be deemed necessary to do all such acts and execute such documents as may be required in connection with any of the matters relating to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary."

/CERTIFIED TRUE COPY/
For IFL Finance Limited
(Formerly known as IFL Housing Finance Limited)

For IFL FINANCE LIMITED
Director
Gopal Bansal
Managing Director
DIN: 01246420

For IFL FINANCE LIMITED
Director
Sunita Bansal
Whole time Director
DIN: 02801660

Ref. No.: NSE/LIST/9742 November 13, 2025

The Company Secretary
IFL Finance Limited
D-16, First Floor,
Above ICICI Bank Prashant Vihar,
Sector-14, Rohini, New Delhi, India, 110085

Dear Sir/Madam,

Sub.: In-principle approval for listing of Non-Convertible Securities on private placement basis

This is with reference to your application requesting in-principle approval for General Information Document dated November 11, 2025 for proposed listing of Non-Convertible Securities on private placement basis to be issued in various tranches by IFL Finance Limited. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the General Information Document / Key Information Document in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company prints the Disclaimer Clause as given below in the General Information Document / Key Information Document after the SEBI disclaimer clause:

"As required, a copy of this General Information Document / Key Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter via ref. No.: NSE/LIST/9742 dated November 13, 2025 or hosting the same on the website of NSE in terms of SEBI (Issue And Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever"

Please note that the approval given by us should not in any way be deemed or construed that the General Information Document / Key Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any

This Document is Digitally Signed
Signer: BANSRI RAKESH GOSALIA
Date: Thu, Nov 13, 2025 11:41:32 IST
Location: NSE

Ref. No.: NSE/LIST/9742 November 13, 2025

responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.
The in-principle approval granted by the Exchange is subject to the below:

1. the Issuer shall submit to the Exchange prior to opening of the issue and at the time of listing, a valid credit rating letter/rationale covering the total issuance amount under the Key Information Document.
2. these Non-Convertible Securities may be listed on the Exchange after the allotment process has been completed, provided these securities of the issuer are eligible for listing on the Exchange and the issuer fulfills the listing requirements of the Exchange.
3. the Issuer shall ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars, and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:

https://www.nse-ebp.com
https://www.nseebp.com/ebp/rest/reportingentity?new=true

This in-principle approval shall be valid for a period of one year from the date of opening of the first issue of securities under this General Information Document. Kindly note that such first issue of securities under this General Information Document should be opened within one year from the date of this letter.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/Rule/Bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Yours faithfully,
For National Stock Exchange of India Limited

Bansri Gosalia
Senior Manager

This Document is Digitally Signed

Signer: BANSRI RAKESH GOSALIA
Date: Thu, Nov 13, 2025 11:41:32 IST
Location: NSE

Annexure-XI

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL27946281354694Y
Certificate Issued Date	:	06-Jan-2026 04:43 PM
Account Reference	:	SHCIL (FI)/ dl-shcil/ PITAMPURA1/ DL-NWD
Unique Doc. Reference	:	SUBIN-DLDL-SHCIL80056313327744Y
Purchased by	:	IFL FINANCE LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	NA
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	IFL FINANCE LIMITED
Second Party	:	CATALYST TRUSTEESHIP LIMITED
Stamp Duty Paid By	:	IFL FINANCE LIMITED
Stamp Duty Amount(Rs.)	:	1,000 (One Thousand only)

Please write or type below this line .....

For IFL FINANCE LIMITED

Authorised Signatory

For Catalyst Trusteeship Limited

Authorised Signatory

This Stamp Paper forms an integral part of the Debenture Trustee Agreement dated 07th January, 2026

0018975670

Statutory Alert:

The authenticity of this Stamp certificate should be verified at www.shcilestamp.com or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website renders it invalid.

The onus of checking the legitimacy is on the users of the certificate.

In case of any discrepancy please inform the Competent Authority.

IFL FINANCE LIMITED

DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("Agreement") is made at Chennai on January 07, 2026 by and between:

IFL FINANCE LIMITED, a company incorporated under the Companies Act, 2013 with CIN U65910DL2015PLC285284 having its registered office at D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi, India - 110085 (hereinafter referred to as the "Company", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of the FIRST PART;

AND

CATALYST TRUSTEESHIP LIMITED, a company incorporated under the Companies Act, 1956 with CIN U74999PN1997PLC110262 and having its registered office at GDA House, First Floor, Plot No. 85, Bhusari Colony (Right), Kothrud Pune, Maharashtra, India, 411038, and its branch office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001 (hereinafter called the "Debenture Trustee" which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and assigns) of the SECOND PART;

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "Parties" and individually as a "Party")

BACKGROUND:

A. The Company, pursuant to the authority granted by the (a) resolution of the board of directors of the Company dated January 07, 2026,; and (b) special resolution passed by the shareholders of the Company under Sections180 (1)(a) and Section 180 (1)(c) of the Companies Act dated September 29, 2022 proposes to issue up to 16,000 (SixteenThousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) ("Debentures"/ "NCDs") on private placement basis ("Issue") in accordance with the provisions of the Companies Act, 2013 ("Act"), Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 ("Debenture Trustee Regulations"), as amended from time to time.

B. The Debentures shall be listed on the wholesale debt market segment of the National Stock Exchange in accordance with the Securities Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021 ("SEBI NCS Listing Regulations"), as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") as amended from time to time.

C. Pursuant to the Act, the Company is required to appoint a debenture trustee for the benefit of the debenture holders and the debenture trustee shall act as per the provisions of the Debenture Trustee Regulations. Accordingly, the Company has approached CATALYST TRUSTEESHIP LIMITED to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("Debenture Holders") and CATALYST TRUSTEESHIP LIMITED has agreed to act as the debenture trustee for the benefit of Debenture Holders on the terms and conditions agreed upon and hereinafter set out. The Debenture Trustee is registered with the Securities Exchange Board of India ("SEBI") as debenture trustee under the Debenture Trustee Regulations.

IFL FINANCE LIMITED

For IFL FINANCE LIMITED

Authorised Signatory

CATALYST TRUSTEESHIP LIMITED
as Debenture Trustee

For Catalyst Trusteeship Limited

Authorised Signatory

D. The detailed terms and conditions in relation to the rights, duties and obligations of the Debenture Trustee and the terms and conditions of the Debentures, shall be more specifically set out in the debenture trust deed ("Deed") to be entered into by the Company and the Debenture Trustee and the general information document, key information document(s) to be issued by the Company and circulated to potential investors ("Disclosure Documents").

E. The Parties have agreed to enter into this Agreement to record the terms of appointment of the Debenture Trustee.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

OPERATIVE TERMS:

1. DEFINITIONS

Unless otherwise defined herein, capitalised terms defined and references construed in the Deed shall have the same meaning and construction when used in this Agreement. In this Agreement, the following terms have the following meanings:

"Act" has the meaning ascribed to it in Recital A above;

"Debenture Holders" has the meaning ascribed to it in Recital C above;

"Deed" has the meaning ascribed to it in Recital D above;

"Debenture Trustee Regulations" has the meaning ascribed to it in Recital A above;

"Debentures / NCDs" has the meaning ascribed to it in Recital A above;

"Disclosure Documents" has the meaning ascribed to it in Recital D above;

"Hypothecated Assets" mean all the identified Receivables along with all benefits, rights and incidentals attached thereto secured on a first ranking exclusive charge basis in favour of Debenture Trustee from time to time as detailed in the Hypothecation Agreement;

"Listed NCDs Master Circular" means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, supplemented or restated from time to time;

"Location of Dispute Resolution" shall mean Chennai;

"SEBI" has the meaning ascribed to it in Recital C above;

"Master Circular for Debenture Trustee" shall mean "*Master Circular for Debenture Trustees*" issued vide circular no. SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025 and as amended from time to time;

"SEBI NCS Listing Regulations" has the meaning ascribed to it in Recital B above;

IFL FINANCE LIMITED	CATALYST TRUSTEESHIP LIMITED
For IFL FINANCE LIMITED Authorised Signatory	as Debenture Trustee For Catalyst Trusteeship Limited Authorised Signatory

2. APPOINTMENT OF DEBENTURE TRUSTEE, ROLES AND RESPONSIBILITIES

a. The Company hereby appoints CATALYST TRUSTEESHIP LIMITED as the debenture trustee on behalf of and for the benefit of the Debenture Holders for the Debentures to be issued by the Company and the Debenture Trustee hereby agrees to act as debenture trustee for the benefit of the Debenture Holders.

b. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration for their services in accordance with the consent letter bearing ref no: CL/DEB/25-26/2074 dated January 05, 2026 (Annexure B) in addition to all out of pocket expenses, legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Deed. The Company will pay interest on the arrears of the abovementioned amounts at 16% (sixteen percent) per annum or the relevant rate prescribed in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (whichever is higher), compounded on a quarterly basis, calculated from the date on which any amount is payable under the relevant invoice until the day such amounts are actually paid by the Company.

c. The Debentures shall be secured by a first ranking exclusive charge over the Hypothecated Assets by way of Deed of Hypothecation to be executed between the Company and the Debenture Trustee prior to final listing application such that a security cover of at least 1.10x times (one decimal one zero times) of the Outstanding Principal Amounts of the Debentures and interest thereon is maintained at all time until the maturity date, and shall execute all other necessary security documents for the Debentures as approved by the Debenture Trustee, within the timelines required by applicable provisions of law.

d. The Company undertakes that the hypothecation over certain identified receivables in favour of the Debenture Trustee (for the benefit of the Debenture Holder(s)) shall be perfected within and no later than 30 (Thirty) calendar days from the date of execution of the Deed of Hypothecation. The security created pursuant to the Deed of Hypothecation shall be registered with Registrar of Companies, depository or any other institution, as applicable, within 30 (Thirty) calendar days from the date of creation of charge or within such days as may be prescribed under applicable Laws.

e. The Company undertakes to comply with the provisions of the Act (as may be amended from time to time), the applicable SEBI regulations, and other applicable Law and agrees to furnish to the Debenture Trustee such information as may be required in terms of the Act, the Debenture Trust Deed and other applicable Law on a regular basis, until the Final Redemption Date.

f. The Company undertakes to promptly furnish all and any information as may be applicable and required by the Debenture Trustee from time to time in terms of the Act and the Deed on a regular basis.

g. This Agreement is entered into in compliance with the provisions of Regulation 13 of the Debenture Trustee Regulations, Listed NCDs Master Circular, LODR Regulations, the Act, and other applicable laws, and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

h. The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all reasonable expenses and out-of-pocket costs incurred by the Debenture Trustee. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration

IFL FINANCE LIMITED as Company	CATALYST TRUSTEESHIP LIMITED as Debenture Trustee
For IFL FINANCE LIMITED Authorised Signatory	For Catalyst Trusteeship Limited Authorised Signatory

or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement and/or any such amendment, supplement or waiver.

i. All other rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the Company and the Debenture Trustee.

j. Further, the Company shall execute the Debenture Trust deed prior to final listing application in Form SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014 or as near thereto as possible in favour of the Debenture Trustees in terms of clause 18(5) of The Companies (Share Capital and Debentures) Rules, 2014.

k. Documents required to be submitted prior to or simultaneously with execution of this Agreement:

The terms of this Agreement shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the applicable Laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Agreement. The Company shall provide information and documents to the extent applicable as set out in Annexure A hereto.

l. Terms of carrying out due diligence:

i. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets (if applicable) and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document and the applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical expert /management consultants appointed by the Debenture Trustee. Prior to appointment of any agents /advisors/consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents/ advisors/ consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction;

ii. The Company shall provide all assistance to the Debenture Trustee to enable verification of the assets for securing the Debentures as are registered / disclosed;

iii. Further, in the event that existing charge holders, the trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any;

iv. The Company shall ensure that it provides and help to procure all information, representations, confirmations and disclosures as may be required by the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the applicable Laws; and

IFL FINANCE LIMITED as Company	CATALYST TRUSTEESHIP LIMITED as Debenture Trustee
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v. All costs, charges, fees and expenses that are associated with and incurred, towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

m. The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to debenture holders, and additional professional fees/expenses that would be incurred in case of default of payment. The remuneration of the Debenture Trustee shall be as decided mutually between both the parties.

n. The Company shall inter-alia furnish/shall have furnished to the Debenture Trustee the following documents: -

i. Memorandum and Articles of Association of the Company;

ii. Disclosure Document(s);

iii. Statutory auditor certificate, on a quarterly basis giving the value of book debt and receivables, including compliance with the covenants of the Transaction Documents as per applicable Laws;

iv. Agreement with the Registrar to issue the Debentures;

v. Letters from Rating Agencies about ratings;

vi. A return of allotment filed with the registrar of companies (Form No-PAS 3) within 15 (fifteen) days from the date of filing with the registrar of companies;

vii. A complete record of private placement offers made by the Company (Form No-PAS 5) within 30 (thirty) days from the date of filing with the registrar of companies;

viii. List of receivables proposed to be hypothecated;

ix. Necessary corporate authorisations including the board resolution and/or shareholder resolution for allotment of Debentures;

x. Proof of Credit of Debenture;

xi. Copy of last 3 (three) years' Audited Annual Reports;

xii. Copy of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;

xiii. Debenture Trust Deed;

xiv. This Agreement;

xv. ROC Certificate;

IFL FINANCE LIMITED	CATALYST TRUSTEESHIP LIMITED
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xvi. Security / Transaction Documents;

xvii. Confirmation/Proofs of payment of interest and principal made to the Debenture Holders on due dates;

xviii. Statutory Auditors' Certificate for utilization of funds/issue proceeds from the Debentures;

xix. Periodical Reports on quarterly basis;

xx. Beneficiary Position Reports;

xxi. Details of the depository with whom the Debentures are held in dematerialised form;

xxii. Disclosure Document issued by the Company pursuant to the provisions of the Act;

xxiii. CHG 9 or any modification made thereunder;

xxiv. Details of the recovery expenses fund created by the Company in terms of the Regulation 15 (1) (h) of the Debenture Trustee Regulation and Master Circular for Debenture Trustee as modified from time to time;

xxv. Information to be submitted to the Stock Exchanges as required by the SEBI Debt Listing agreement and LODR Regulations as amended from time to time, within the timelines as mentioned in the Regulation;

xxvi. In principle approval for listing of NCDs from Stock Exchange;

xxvii. Acknowledgement of filing the Disclosure Document with the Stock Exchange(s);

xxviii. Listing permission from the Stock Exchange; and

xxix. Such other documents as may be reasonably required by the Debenture Trustee.

o. Information Accuracy and Storage:

i. The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct;

ii. The Company confirms that the requisite disclosures made in the Disclosure Documents are true and correct;

iii. All disclosures made in the Disclosure Documents with respect to creation of security are in confirmation with the clauses of this Agreement; and

iv. The Company undertakes and acknowledges that the Debenture Trustee and any other authorised agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Debentures.

p. The Company agrees and confirms that the purpose of the issue is not for providing loan to or acquisitions of shares of any person who is a part of the same group or who is under the same management.

IFL FINANCE LIMITED	CATALYST TRUSTEESHIP LIMITED
For IFL FINANCE LIMITED Company Authorised Signatory	as Debenture Trustee For **Catalyst Trusteeship Limited** Authorised Signatory

q. The Company confirms that all necessary disclosures will be made in the Disclosure Documents including but not limited to statutory and other regulatory disclosures.

r. The Debenture Trustees, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid/invested by investors for the debentures.

s. Company hereby undertakes that the assets on which the charge or security is proposed to be created are sufficient to meet the hundred percent security cover or higher security cover and are free from any encumbrances. The Company further undertakes that such charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent is required to be obtained from any creditor (whether or not existing) of the Company.

t. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the SEBI from accessing the securities market or dealing in securities. The Company hereby further declares and confirms that, as on the date of this Agreement, and the date of filing the Disclosure Document, it is an 'eligible issuer' in accordance with Regulation 5 (1) of the SEBI NCS Listing Regulations.

u. The Parties confirm that there is no conflict of interest between the Company and the Debenture Trustee in relation to the Debenture Trustee's appointment for the issue of Debentures.

v. The Company hereby agree & undertake to comply with the stamp duty regulations

w. All other the rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the Company and the Debenture Trustee.

x. The Company shall provide all assistance to the Debenture Trustee, as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Master Circular for Debenture Trustee and such other relevant circulars as may be issued or amended by SEBI with respect to Listed non-convertible debentures issuances.

y. The Company further confirms that:

i. All covenants proposed to be included in the Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) are disclosed in Disclosure Documents; and

ii. Terms and conditions of this Agreement including fees charged by the Debenture Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the Disclosure Documents.

3. MISCELLANEOUS

3.1 Governing Law

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed as per laws in India, without reference to its conflict of law principles.

3.2 Jurisdiction

IFL FINANCE LIMITED as Company	CATALYST TRUSTEESHIP LIMITED as Debenture Trustee
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i. The Company agrees that the courts and tribunals at Location of Dispute Resolution shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with this Agreement may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

ii. The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Location of Dispute Resolution and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agree that a judgment in any Proceedings brought in the courts and tribunals at Location of Dispute Resolution shall be conclusive and binding upon them and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.

iii. Nothing contained in this Clause 3, shall limit any right of the Debenture Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

iv. The Company hereby consents generally in respect of any Proceedings arising out of or in connection with the Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

v. The Company irrevocably agrees that, should any party take any proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with the Agreement), no immunity (to the extent that they may at any time exist, whether on the grounds of sovereignty or otherwise) from those proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of their assets or from execution of judgment shall be claimed by them or with respect to their assets, any such immunity being irrevocably waived. The Company irrevocably agrees that it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations.

vi. Without prejudice to the foregoing, Parties agree that all claims, differences or disputes between the Debenture Trustee and the Company arising out of or in relation to the activities of the Debenture Trustee in the securities market shall be settled by online arbitration conducted in accordance with the SEBI Circular dated July 31, 2023 (bearing reference no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131), as may be further updated, amended, modified or replaced from time to time ("ODR Circular"). All such proceedings shall be in the English language. The seat of arbitration shall be determined in accordance with the ODR Circular. The online arbitration shall be governed by the provisions of the Arbitration and Conciliation Act, 1996 (as amended from time to time) read with the ODR Circular. No loss or damage or expenses incurred by the Debenture Trustee or the Company shall be met out of the trust property.

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3.3 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

3.4 Effective Date

This Agreement shall be effective on and from the date first hereinabove written and shall be in force till all outstanding amounts in respect of the Debentures have been fully paid to the Debenture Holders.

[Intentionally left blank; signature page follows]

IFL FINANCE LIMITED	CATALYST TRUSTEESHIP LIMITED
For IFL FINANCE LIMITED Authorised Signatory	as Debenture Trustee For Catalyst Trusteeship Limited Authorised Signatory

Annexure A

1. Information/ documents to be provided by the Issuer Company, prior to entering into the Agreement, to the extent applicable:

Sr. No.	Information/ Documents
i.	Details of information in relation to the assets on which charge is proposed to be created including: (a) Details of receivables forming part of Hypothecated Assets;
ii.	For unencumbered assets, on which charge is proposed to be created: an undertaking that the assets on which charge is proposed to be created are free from any encumbrances.
iii.	An undertaking confirming that all the information provided to the Debenture Trustee are true and correct and the trustee may in good faith rely upon and shall not be liable for acting or refraining from acting upon such information furnished to it under this Agreement.
iv.	Any other information, documents or records required by Debenture Trustee with regard to creation of security and perfection of security.

IFL FINANCE LIMITED For IFL FINANCE LIMITED Authorised Signatory	CATALYST TRUSTEESHIP LIMITED as Debenture Trustee For Catalyst Trusteeship Limited Authorised Signatory

ANNEXURE B

ENGAGEMENT LETTER

CATALYST

CT/DTD/25 26/2074

Date: 05-Jan-2026

To,

IFL Finance Ltd,
D 16, First Floor, Prashant Vihar,
Sector-14, Rohini, Delhi, New Delhi,
India 110085.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures aggregating upto ₹ 16.00 Crores

We refer to your letter dated 05.01.2026, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees to the said issue Debentures & have no objection to Debenture Trustee Agreement as per Regulation 11 of SEBI (Debenture Trustees) Regulations, 1993 thereby agreeing to execute Debenture Trust Deed and to create the security as applicable & time to time as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Details to Document / Placement Memorandum and common agreement / undertaking. In comply with the provision of SEBI (Debenture Trustee) Regulations, 1993 SEBI (Issue and Listing of Non Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time

We hope that the captioned transaction will be to your satisfaction.

Assuring you of the best services and offers

Thanking you,

Yours faithfully,

Name : Priti Shetty

Designation: Assistant Vice President

CATALYST TRUSTEESHIP LIMITED

For IFL FINANCE LIMITED

Authorised Signatory

For Catalyst Trusteeship Limited

Authorised Signatory

CATALYST

Annexure A

Fee Structure for transaction CI/DTB/75 26/2074

PARTICULARS	AMOUNT
Acceptance fees (one time, non-refundable, payable on our approval)	₹ 40,000.00
Annual Trusteeship Fees (Annual)	₹ 40,000.00

Annual fees is payable in advance each year from date of execution till termination of the transaction. Service tax charges would apply for the first year till 14 sep, as applicable. The taxes on above fee shall, if any, be payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges etc shall be reimbursed or advanced on actual basis.

Kindly sign the duplicate copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name : Priti Shetty

Designation : Assistant Vice President

We accept the above terms

For IFL Finance Ltd

IFL FINANCE LIMITED NEW DELHI

Name Mr. Gopal Bansal

Designation. Managing Director

For IFL FINANCE LIMITED

Authorised Signatory

For Catalyst Trusteeship Limited

Authorised Signatory

SIGNATURE PAGE

IN WITNESS WHEREOF the Debenture Trustee and the Company have caused these presents and the duplicate thereof to be executed by their authorised official on the day, month and year first above written as hereinbefore appearing.

SIGNED AND DELIVERED BY
IFL FINANCE LIMITED the within named
Company
by the hand of its duly authorized official

For IFL FINANCE LIMITED

Authorised Signatory

Authorised Signatory

SIGNED AND DELIVERED BY
CATALYST TRUSTEESHIP LIMITED
the within named Debenture Trustee
by the hand of its authorized official

For Catalyst Trusteeship Limited

Authorised Signatory

Authorised Signatory

RAJANISH SEKHAR. T. TONPE

Annexure-XII

DEED OF GUARANTEE

THIS DEED OF GUARANTEE ("**Guarantee**") is executed at the place and on the date specified in the first schedule to this Guarantee (hereinafter referred to as "**Schedule 1**")

BY:

The **Guarantor** as described in the **Schedule 1**, (the expression "**Guarantor**" shall unless be repugnant to the context mean and include legal heirs, representatives in interest, executors, administrators, successors and permitted assigns);

IN FAVOUR OF

CATALYST TRUSTEESHIP LIMITED, a company incorporated under the Companies Act, 1956 with CIN U74999PN1997PLC110262 and having its registered office at GDA House, First Floor, Plot No. 85, Bhusari Colony (Right), Kothrud Pune, Maharashtra, India, 411038, and its branch office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001 (hereinafter called the "**Debenture Trustee**" which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and assigns).

(In this Guarantee, the Guarantor and the Debenture Trustee shall hereinafter be collectively referred to as the **Parties** and individually as a **Party**)

WHEREAS:

The Guarantor had agreed to guarantee the payment of principal, interest and other monies payable in relation to the Debentures (as defined below) issued/to be issued by Issuer (as defined below) to the Debenture Holders in the event of default in payment thereof by Issuer and in consideration of the subscription of the Debentures by the Debenture Holders, the Guarantor is now issuing this Guarantee in favour of the Debenture Trustee for the benefit of the Debenture Holders, guaranteeing all payment obligations of Issuer in related to the Debentures under the Debenture Trust Deed (as defined below).

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. Definitions and Interpretation

1.1 Definitions

Unless otherwise defined, capitalised terms in this Deed of Guarantee shall have the meanings given to them in the Debenture Trust Deed executed by Issuer in favour of the Debenture Trustee. In this Guarantee, the capitalised terms not separately defined shall have the following meanings:

Debentures shall have the meaning given to such term in the Debenture Trust Deed.

Debenture Trust Deed shall have the meaning ascribed to such term in Schedule 1 hereto.

Issuer means shall have the meaning ascribed to such term in Schedule 1 hereto.

Final Settlement Date means the date on which all Obligations have been discharged in full under this Guarantee.

Net Worth Certificate means a net worth certificate provided by the chartered accountant of the Guarantor, stating that the Guarantor has adequate and sufficient net worth to provide the Guarantee and meet all Obligations; and

Obligations means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Debenture Trust Deed and shall include the obligation to redeem the Debentures in terms thereof, any outstanding remuneration of the Debenture Trustee, default interest payable, if any, and all fees, costs, charges and expenses and other monies payable by the Issuer under the Transaction Documents.

1.2 **Construction**

Unless the context requires otherwise, the principles of construction as set forth in Clause 1.2 of the Debenture Trust Deed shall apply to this Guarantee as if expressly set out in full herein, except that references to the Debenture Trust Deed in those provisions are to be construed as references to this Guarantee.

1.3 **Acknowledgement**

The Guarantor acknowledges and agrees with the Debenture Trustee that it has received executed copies of the Debenture Trust Deed and agrees that it has read the Debenture Trust Deed and fully understands all the terms and conditions thereunder, including the obligation of Issuer to punctually discharge their obligations under the Debenture Trust Deed

2. Guarantee

2.1 **Guarantee**

In consideration of the premises and for other good and valuable consideration, the sufficiency of which is acknowledged by the Guarantor, the Guarantor irrevocably and unconditionally guarantees the Debenture Trustee and the Debenture Holders the due and punctual payment and discharge of the Obligations by the Issuer in accordance with the Transaction Documents.

2.2 **Guaranteed Amount**

(a) The amount payable by the Guarantor hereunder is the **Guaranteed Amount** which shall include the all the amounts due to be paid by Issuer to the Debenture Trustee / Debenture Holders from time to time including interest accrued and due and interest accrued but not due, default interest and any expenses recoverable from Issuer. On the failure of Issuer to discharge its Obligations in full, the Guarantor shall, upon written demand from the Debenture Trustee substantially in the form set in **Schedule 2** hereto (**Demand Certificate**), pay to the Debenture Trustee without demur or protest, within 2 Business Days of such Demand Certificate, the amount stated therein.

(b) In the event of any delay on the part of the Guarantor in making payments to the Debenture Trustee / Debenture Holders as contemplated in sub-clause (a) of Clause 2.2 above within the timelines stipulated therein, the Guarantor shall, without prejudice to the other rights of the Debenture Trustee / Debenture Holders under this Deed of Guarantee, pay such delayed amounts together with interest at 18% (Eighteen percent) per annum computed from the date on which such amounts became due and payable till the date on which they are actually paid.

2.3 **Independent Obligation**

The obligations of the Guarantor hereunder are separate and distinct from any obligations of the Guarantor under any other guarantee or security being provided by the Guarantor to the Debenture Trustee. The Guarantor shall, as a separate and independent obligation and without prejudice to the other provisions contained herein, as primary obligor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee in the event of the whole or any of the Obligations being or becoming void, voidable, unenforceable or ineffective as against Issuer for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee / Debenture Holders or any of their officers, employees, agents or advisers.

2.4 **Demand**

Any demand given or made by Debenture Trustee to the Guarantor shall be final, conclusive and binding evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the Guaranteed Amount notwithstanding any difference or any dispute between the Debenture Trustee / Debenture Holders and Issuer, or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority in this respect. Such demand shall be deemed to have been made by delivery of the Demand Certificate to the Guarantor by the Debenture Trustee / Debenture Holders. The Demand Certificate shall be final, conclusive and binding evidence against the Guarantor of the amount for the time being due from Issuer and the Guarantor in any action or proceeding brought hereunder against the Guarantor.

2.5 **No Requirement to Exhaust Remedies**

Prior to making any demand hereunder, the Debenture Trustee shall not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against Issuer, give notice to Issuer or any other Person under the debenture Trustee Deed or other related documents or otherwise and howsoever arising, or make or file any claim or proof in the dissolution or winding-up of Issuer, or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee / Debenture Holders in respect of the Obligations.

3. Indemnity

The Guarantor shall indemnify and keep the Debenture Trustee / Debenture Holders indemnified against all losses, damages, costs, claims and expenses whatsoever which Debenture Trustee / Debenture Holders may suffer or incur by reason of or in connection with any such default on the part of the Guarantor or Issuer including legal proceedings taken against Issuer and/or the Guarantor for recovery of the monies referred to in Clause 2 above.

4. Power to Vary

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee / Debenture Holders shall be at liberty to, at any time without the consent of or notice to the Guarantor:

(a) exercise or refrain from exercising any rights against Issuer;

(b) settle, release or compromise any of the Obligations, any security therefor or any liability (including hereunder) incurred directly or indirectly in respect thereof or hereof;

(c) vary, alter, waive, release or modify any and all the provisions of the Debenture Trust Deed and/or the Deed of Guarantee including without limitation any increase the aggregate principal amount of, or interest rate on, the Debenture or the amount of principal or interest scheduled to be paid in accordance with the Debenture Trust Deed, as the case may be;

(d) defer, postpone or revise the repayment of the payments/Obligations payable by Issuer to the Debenture Trustee / Debenture Holders on such terms and conditions as may be considered necessary by the Debenture Trustee / Debenture Holders; or

(e) enter into any composition or compound with or to grant any other indulgence or facility to Issuer.

5. Waivers

The Guarantor shall not be released by any act or omission on the part of the Debenture Trustee / Debenture Holders or by any other matter or thing whatsoever which under the law relating to sureties

would have the effect of so releasing the Guarantor and the Guarantor hereby waives in favour of the Debenture Trustee / Debenture Holders so far as may be necessary to give effect to any of the provisions of this Deed of Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

6. No Release

The rights of the Debenture Trustee / Debenture Holders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Debenture Trustee / Debenture Holders and the other guarantor/s, if any, or notwithstanding the release of such other guarantor from liability and notwithstanding that any time hereafter the other guarantor/s may cease for any reason whatsoever to be liable to the Debenture Trustee / Debenture Holders shall be at liberty to require the performance by the Guarantor of its obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations. This Deed of Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee / Debenture Holders by Issuer and shall be valid and binding on the Guarantor and operative until repayment in full of the Obligations.

7. Principal Debtor

To give effect to this Deed of Guarantee, the Debenture Trustee / Debenture Holders may act as though the Guarantor was the principal debtor.

8. No Proof in Liquidation; No Exercise of Rights

(a) Whilst this Deed of Guarantee continues and so long as the Guarantor is in breach of its obligations under this Deed of Guarantee, the Guarantor agrees that:

(i) it shall not in the event of the liquidation of Issuer prove in competition with the Debenture Trustee / Debenture Holders in the liquidation proceedings; and

(ii) it shall have no right of subrogation or indemnity against Issuer nor shall it exercise any such rights available under law, to claim any sum relating to the Obligations from the Issuer, including those of subrogation and of proof in the Issuer's insolvency, and shall hold the benefit of any such rights on trust for the Debenture Trustee / Debenture Holders.

(b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any) against Issuer will arise only after all the Obligations of Issuer have been fully and completely discharged to the satisfaction of the Debenture Trustee / Debenture Holders.

9. Irrevocable Guarantee

This Deed of Guarantee shall be unconditional, absolute and irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by Issuer and the demand or notice by the Debenture Trustee / Debenture Holders as provided in Clause 12 hereof shall be sufficient notice to or demand on the Guarantor.

10. Liability Not Affected

The liability of the Guarantor under this Guarantee shall not be affected by:

i) any change in the constitution, ownership or corporate existence of Issuer, any absorption, merger, conversion or amalgamation of Issuer with any other entity;

ii) any insolvency, liquidation, bankruptcy or similar situation or proceeding in respect of Issuer;

iii) any change in the management of Issuer or take-over of the management of Issuer by any

governmental authority;

iv) acquisition of Issuer and/ or of any of its respective undertaking(s) pursuant to any Applicable Law;

v) any change in the constitution of any of the Debenture Trustee / Debenture Holders;

vi) the absence or deficiency of powers on the part of the Guarantor to give guarantees and/or indemnities or any irregularity in the exercise of such powers;

vii) any intermediate payment or satisfaction of any part of the Obligations;

viii) the granting of any time or other indulgence to Issuer or any other person;

ix) any illegality, invalidity, irregularity or unenforceability of all or any part of the Obligations; or

x) any other act, thing or omission whatsoever whereby the liability of the Guarantor under this Guarantee would or may, but for this Clause, have been discharged, impaired or otherwise affected any other matter or thing whatsoever.

11. Continuing Guarantee

(a) This Guarantee shall be a continuing one and shall remain in full force and effect till the Final Settlement Date or till the Guarantor pays the Guaranteed Amount in full.

(b) Without limiting the generality of the foregoing this Guarantee shall continue to be effective and be re-instated should the Debenture Trustee / Debenture Holders be required as a result of any Applicable Law to return to Issuer or any other person any payment made by Issuer to them;

12. Notice of Demand

(a) Any Demand Certificate, notice or any other communication under this Guarantee shall be (i) in writing and (ii) sent by facsimile, courier or registered post at the address of the Guarantor specified in **Schedule 1** hereto.

(b) A Demand Certificate, notices and other communication shall be effective,

(i) if sent by facsimile transmission, when sent (on receipt of a confirmation to the correct facsimile number),
(ii) if sent by courier 2 (two) Business Days after deposit with the courier, and
(iii) if sent by registered post, when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not.

(c) An original of each notice and communication sent by facsimile shall be dispatched by courier or registered post, *provided* that the effective date of any such notice shall be determined in accordance with sub-clause (i) or (ii) of Clause 12(b), as the case may be, without regard to the dispatch of such original.

13. NO RIGHT OF Set-Off And Lien OF THE GUARANTOR

Until the Guaranteed Amount shall have been paid or discharged:

(i) The Guarantor will not by paying off any sum recoverable hereunder or by any other means or on any other ground claim any set-off or counterclaim against Issuer in respect of any liability on the part of the Guarantor to Issuer or claim or prove in competition with the Debenture Trustee / Debenture Holders in respect of any payment by the Guarantor hereunder or be entitled to claim or have the benefit of any set-off counterclaim or proof against or divided composition or payment by Issuer or the benefit of any other security which the Debenture Trustee / Debenture Holders

or any other lender may now or hereafter hold for any moneys or liabilities due or incurred by Issuer to any Debenture Trustee / Debenture Holders or to have any share therein but will hold on trust for and give to the Debenture Trustee / Debenture Holders, the benefit of any set-off, counterclaim, proof, divided composition or payment in the liquidation of Issuer or in any arrangement or composition with creditors;

(ii) any right of the Guarantor, by reason of performance of any of its obligations under this Guarantee, to be indemnified by Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised and enforced by it only in such manner and on such terms as the Debenture Trustee / Debenture Holders may require and any amount received or recovered by the Guarantor as a result of any exercise of any such right shall be held in trust for the Debenture Trustee / Debenture Holders and immediately paid to the Debenture Trustee / Debenture Holders; and

14. Payments; Gross Up

All payments to be made hereunder shall be at such place as designated by the Debenture Trustee / Debenture Holders. If the Guarantor is required to make a payment to the Debenture Trustee / Debenture Holders hereunder subject to the deduction or withholding of any nature (including any tax), the sum payable by the Guarantor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, the Debenture Trustee / Debenture Holders receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

15. Taxes and Expenses

The Guarantor agrees to bear all Taxes or any other levies (including stamp or documentary taxes) incurred in connection with this Guarantee and all costs, expenses or charges relating to or arising out of this Guarantee including all or any other Taxes and costs, expenses or charges incurred in connection with the preservation or enforcement of the rights of the Debenture Trustee / Debenture Holders.

16. Representations and Warranties

The Guarantor makes the following representations and warranties as of the date hereof and which representations and warranties shall survive the execution and delivery of this Guarantee till the Final Settlement Date:

(a) Status of the Guarantor

The Guarantor has good standing.

(b) Authorisation

The Guarantor has the competence, full power and authority to enter into this Guarantee and to exercise its rights and perform its obligations hereunder.

(c) Binding Effect

This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) No material adverse change

There has been no material adverse change in the assets, business or consolidated financial condition of the Guarantor.

(e) Government Consents and Actions

All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (i) the execution, delivery or performance of the Guarantee, (ii) the legality, validity and enforceability hereof and (iii) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.

(f) No Contravention

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under (a) any provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or the assets of the Guarantor is or may be bound, (b) any treaty, law or regulation applicable to the Guarantor or (c) any judgment, injunction, order or decree binding upon the Guarantor or any of his/her assets. The Guarantor has done all such things as may be necessary or required under Applicable Law to ensure that this Guarantee is in full force and effect, does not breach any provisions of Applicable Law and is in full compliance with provisions thereof.

(g) No Default

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would become an Event of Default relating to the Guarantor under the Guarantee or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(h) Litigation

There are no legal, administrative or other actions, claims or other proceedings current, pending or, threatened against the Guarantor which if decided adversely would materially and adversely affect the financial condition, business or operations of the Guarantor or would materially and adversely affect the Guarantor's ability to perform its obligations under this Guarantee or which question the legality, validity or binding effect of any provision of this Guarantee.

(i) Immunity

The Guarantor has no immunity and the waiver of immunity by the Guarantor herein is legal, valid, binding and enforceable and the Guarantor is not entitled to claim for itself or any of its assets any right of immunity from suit, execution, attachment prior to judgment, attachment in aid of execution or any other legal process with respect to its obligations under this Guarantee in any jurisdiction, including, without limitation, India.

(j) Proper Legal Form

This Guarantee is in proper legal form under the laws of India for enforcement in the respective courts.

(k) Regulatory Requirements

It is not necessary to obtain any regulatory approval for this Guarantee, file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any stamp, registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than the payment of stamp duty on this Guarantee.

(l) Commercial Activity

The Guarantor is subject to civil and commercial law with respect to its obligations under this Guarantee. The execution and delivery of this Guarantee constitute, and the Guarantor's performance of and compliance with its obligations under this Guarantee will constitute, private and commercial acts rather than public or governmental acts.

(m) Full Disclosure

All information heretofore furnished by the Guarantor to the Debenture Trustee / Debenture Holders for purposes of or in connection with this Guarantee or any transaction contemplated hereby is, and all such information hereafter furnished by the Guarantor to the Debenture Trustee / Debenture Holders will be, true and accurate in all material respects on the date as of which such information is stated or certified. The Guarantor has disclosed to the Debenture Trustee / Debenture Holders in writing any and all facts which materially and adversely affect or may affect (to the extent the Guarantor can now reasonably foresee) the business, operations or financial condition of the Guarantor or the ability of the Guarantor to perform its obligations under this Guarantee.

(n) Further Assurance

The Guarantor hereby undertakes and agrees that, subject to Applicable Law, if so required by the Debenture Trustee / Debenture Holders, it shall do all such acts and things (including execution of instruments or documents) as may be required to implement and carry out the intent of this Guarantee.

(o) Security outstanding, unrealised or lost

This Guarantee shall be enforceable against the Guarantor notwithstanding that any post-dated cheques, negotiable instruments, security comprised in any instrument(s) executed or to be executed in favour of the Debenture Trustee / Debenture Holders shall, at the time when the proceedings are taken against the Guarantor under this Guarantee, be outstanding or unrealised or lost.

(p) Transfer of Assets

The Guarantor hereby agrees and gives consent to the sale, transfer, mortgage on prior, *pari passu* or subsequent charge basis, release etc., of any of the assets of Issuer from time to time as may be approved by the Debenture Trustee / Debenture Holders or to the release or lease out by the Debenture Trustee / Debenture Holders any or whole of the assets of Issuer charged to the Debenture Trustee / Debenture Holders on such terms and conditions as the Debenture Trustee / Debenture Holders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of Issuer. The Guarantor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease any of such assets would be necessary in future.

(q) Further Assistance

The Guarantor hereby agrees and declares that Issuer will be free to avail of further loan(s) or other facilities from the Debenture Holders or any other person and/or to secure the same during the subsistence of this Guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.

(r) No Consideration

In case the Guarantor is an individual, no consideration whether by way of commission, brokerage fees or any other form has been received or will be received by the Guarantor from the Issuer directly or indirectly for extending this Guarantee.

17. Covenants

17.1 The Guarantor covenants and agrees that from the date of this Guarantee and for so long as this Guarantee is outstanding:

(i) Compliance

The Guarantor shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all approvals, authorisations, consents and licenses required by Applicable Law to enable it lawfully to enter into and perform its obligations under this Guarantee or to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India;

(ii) Notifications

Further, the Guarantor shall notify the Debenture Trustee / Debenture Holders as soon as it becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (a) an Event of Default relating to Issuer, or (b) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee.

17.2 Shareholding:

a. The Guarantor shall not sell, transfer or encumber more than 2% of the shares of the Issuer held without the prior written consent of the Debenture Trustee/ Majority Debenture Holders. Any change in the stake upto the limit in both cases, IPO and non-IPO, respectively, as mentioned in the table below, shall require prior written consent of the Debenture Trustee/ Majority Debenture Holders:

Name	**Investment Type**	**Existing % stake**	**Consolidated Minimum stake required in case of No IPO**	**Consolidated Minimum stake required in case of IPO**
GOPAL BANSAL	Ordinary Equity	8.72	70%	51%

17.3 There shall be no change in management control of Gopal Bansal in India Finsec Limited without prior written consent from the Debenture trustee (acting on behalf of the Majority Debenture Holders).

17.4 The Guarantor covenants and agrees to submit a Net Worth Certificate certified by chartered accountant of the Guarantor to the Debenture Trustee at the time of execution of this Guarantee. The Net Worth Certificate should not be more than 6 (six) months old from the date of this Deed

18. Governing Law

This Guarantee is governed by and shall be construed in accordance with the laws of India.

19. Jurisdiction

19.1 The Guarantor agrees that the courts and tribunals in Chennai shall have jurisdiction to settle any disputes which may arise out of or in connection with this Guarantee and that accordingly any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with this Guarantee may be brought in such courts or the tribunals and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

19.2 Nothing contained in this Clause shall limit any right of the Debenture Trustee / Debenture Holders to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction

whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

19.3 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

20. ASSIGMENT AND TRANSFER

The Debenture Trustee / Debenture Holders may, at any time, assign or transfer all or any of its rights, benefits and obligations under this Guarantee in accordance with the Debenture Trust Deed.

21. Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

22. Term of the Guarantee

This Guarantee shall expire on the Final Settlement Date. Provided that the expiry of the Guarantee shall not affect the liability of the Guarantor under this Guarantee up to and including the date of the expiry.

[Intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed these presents as a deed on the day, month and year written in Schedule 1 hereto and shall be deemed to be delivered on the date on which receipt of this Guarantee is acknowledged by the Debenture Trustee.

Signature:
Name: Gopal Bansal

Place: [●]
Date: [●], 2025

Receipt of this Guarantee acknowledged by the **Debenture Trustee** represented by _____, its authorised signatory

_____
Place:
Date:

SCHEDULE 1

GUARANTEE DETAILS	
Date of execution of this Deed of Guarantee	[●], 2025
Place of execution of this Deed of Guarantee	[●]
GUARANTOR DETAILS	
Name	Gopal Bansal
Contact number	[●]
Email	[●]
Address for Notice	[●]
Identity No.	[●]
OTHER DETAILS	
Issuer	**IFL FINANCE LIMITED**
Debenture Trust Deed	[●], 2025
Debentures	16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) ("**NCDs**" / **Debentures**")

SCHEDULE 2

Form of Demand Certificate

To:

.

[●]

Dated: [·]

Dear Sirs,

Re: Guarantee dated [·] (the "**Guarantee**") executed by ("**Guarantor**") in favour of **M/s. [•]** ("**Debenture Trustee**").

An amount of INR [•] is payable by **[●]** to the Debenture Trustee / Debenture Holders in terms of the Guarantee. Accordingly, we hereby give you notice pursuant to Clause 1.2 of the Guarantee that we require you to pay an amount of INR [•] by [•] to the bank account, details of which are set out below:

[*Account details*]

Capitalised terms used herein shall have the meaning given to them in the Guarantee.

Yours faithfully,

For [●]

DEED OF GUARANTEE

THIS DEED OF GUARANTEE ("**Guarantee**") is executed at the place and on the date specified in the first schedule to this Guarantee (hereinafter referred to as "**Schedule 1**")

BY:

The **Guarantor** as described in the **Schedule 1**, (the expression "**Guarantor**" shall unless be repugnant to the context mean and include legal heirs, representatives in interest, executors, administrators, successors and permitted assigns);

IN FAVOUR OF

CATALYST TRUSTEESHIP LIMITED, a company incorporated under the Companies Act, 1956 with CIN U74999PN1997PLC110262 and having its registered office at GDA House, First Floor, Plot No. 85, Bhusari Colony (Right), Kothrud Pune, Maharashtra, India, 411038, and its branch office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001 (hereinafter called the "**Debenture Trustee**" which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and assigns).

(In this Guarantee, the Guarantor and the Debenture Trustee shall hereinafter be collectively referred to as the **Parties** and individually as a **Party**)

WHEREAS:

The Guarantor had agreed to guarantee the payment of principal, interest and other monies payable in relation to the Debentures (as defined below) issued/to be issued by Issuer (as defined below) to the Debenture Holders in the event of default in payment thereof by Issuer and in consideration of the subscription of the Debentures by the Debenture Holders, the Guarantor is now issuing this Guarantee in favour of the Debenture Trustee for the benefit of the Debenture Holders, guaranteeing all payment obligations of Issuer in related to the Debentures under the Debenture Trust Deed (as defined below).

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. Definitions and Interpretation

1.1 Definitions

Unless otherwise defined, capitalised terms in this Deed of Guarantee shall have the meanings given to them in the Debenture Trust Deed executed by Issuer in favour of the Debenture Trustee. In this Guarantee, the capitalised terms not separately defined shall have the following meanings:

Debentures shall have the meaning given to such term in the Debenture Trust Deed.

Debenture Trust Deed shall have the meaning ascribed to such term in Schedule 1 hereto.

Issuer means shall have the meaning ascribed to such term in Schedule 1 hereto.

Final Settlement Date means the date on which all Obligations have been discharged in full under this Guarantee.

Net Worth Certificate means a net worth certificate provided by the chartered accountant of the Guarantor, stating that the Guarantor has adequate and sufficient net worth to provide the Guarantee and meet all Obligations; and

Obligations means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Debenture Trust Deed and shall include the obligation to redeem the Debentures in terms thereof, any outstanding remuneration of the Debenture Trustee, default interest payable, if any, and all fees, costs, charges and expenses and other monies payable by the Issuer under the Transaction Documents.

1.2 **Construction**

Unless the context requires otherwise, the principles of construction as set forth in Clause 1.2 of the Debenture Trust Deed shall apply to this Guarantee as if expressly set out in full herein, except that references to the Debenture Trust Deed in those provisions are to be construed as references to this Guarantee.

1.3 **Acknowledgement**

The Guarantor acknowledges and agrees with the Debenture Trustee that it has received executed copies of the Debenture Trust Deed and agrees that it has read the Debenture Trust Deed and fully understands all the terms and conditions thereunder, including the obligation of Issuer to punctually discharge their obligations under the Debenture Trust Deed

2. Guarantee

2.1 **Guarantee**

In consideration of the premises and for other good and valuable consideration, the sufficiency of which is acknowledged by the Guarantor, the Guarantor irrevocably and unconditionally guarantees the Debenture Trustee and the Debenture Holders the due and punctual payment and discharge of the Obligations by the Issuer in accordance with the Transaction Documents.

2.2 **Guaranteed Amount**

(a) The amount payable by the Guarantor hereunder is the **Guaranteed Amount** which shall include the all the amounts due to be paid by Issuer to the Debenture Trustee / Debenture Holders from time to time including interest accrued and due and interest accrued but not due, default interest and any expenses recoverable from Issuer. On the failure of Issuer to discharge its Obligations in full, the Guarantor shall, upon written demand from the Debenture Trustee substantially in the form set in **Schedule 2** hereto (**Demand Certificate**), pay to the Debenture Trustee without demur or protest, within 2 Business Days of such Demand Certificate, the amount stated therein.

(b) In the event of any delay on the part of the Guarantor in making payments to the Debenture Trustee / Debenture Holders as contemplated in sub-clause (a) of Clause 2.2 above within the timelines stipulated therein, the Guarantor shall, without prejudice to the other rights of the Debenture Trustee / Debenture Holders under this Deed of Guarantee, pay such delayed amounts together with interest at 18% (Eighteen percent) per annum computed from the date on which such amounts became due and payable till the date on which they are actually paid.

2.3 **Independent Obligation**

The obligations of the Guarantor hereunder are separate and distinct from any obligations of the Guarantor under any other guarantee or security being provided by the Guarantor to the Debenture Trustee. The Guarantor shall, as a separate and independent obligation and without prejudice to the other provisions contained herein, as primary obligor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee in the event of the whole or any of the Obligations being or becoming void, voidable, unenforceable or ineffective as against Issuer for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee / Debenture Holders or any of their officers, employees, agents or advisers.

2.4 **Demand**

Any demand given or made by Debenture Trustee to the Guarantor shall be final, conclusive and binding evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the Guaranteed Amount notwithstanding any difference or any dispute between the Debenture Trustee / Debenture Holders and Issuer, or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority in this respect. Such demand shall be deemed to have been made by delivery of the Demand Certificate to the Guarantor by the Debenture Trustee / Debenture Holders. The Demand Certificate shall be final, conclusive and binding evidence against the Guarantor of the amount for the time being due from Issuer and the Guarantor in any action or proceeding brought hereunder against the Guarantor.

2.5 **No Requirement to Exhaust Remedies**

Prior to making any demand hereunder, the Debenture Trustee shall not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against Issuer, give notice to Issuer or any other Person under the debenture Trustee Deed or other related documents or otherwise and howsoever arising, or make or file any claim or proof in the dissolution or winding-up of Issuer, or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee / Debenture Holders in respect of the Obligations.

3. Indemnity

The Guarantor shall indemnify and keep the Debenture Trustee / Debenture Holders indemnified against all losses, damages, costs, claims and expenses whatsoever which Debenture Trustee / Debenture Holders may suffer or incur by reason of or in connection with any such default on the part of the Guarantor or Issuer including legal proceedings taken against Issuer and/or the Guarantor for recovery of the monies referred to in Clause 2 above.

4. Power to Vary

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee / Debenture Holders shall be at liberty to, at any time without the consent of or notice to the Guarantor:

(a) exercise or refrain from exercising any rights against Issuer;

(b) settle, release or compromise any of the Obligations, any security therefor or any liability (including hereunder) incurred directly or indirectly in respect thereof or hereof;

(c) vary, alter, waive, release or modify any and all the provisions of the Debenture Trust Deed and/or the Deed of Guarantee including without limitation any increase the aggregate principal amount of, or interest rate on, the Debenture or the amount of principal or interest scheduled to be paid in accordance with the Debenture Trust Deed, as the case may be;

(d) defer, postpone or revise the repayment of the payments/Obligations payable by Issuer to the Debenture Trustee / Debenture Holders on such terms and conditions as may be considered necessary by the Debenture Trustee / Debenture Holders; or

(e) enter into any composition or compound with or to grant any other indulgence or facility to Issuer.

5. Waivers

The Guarantor shall not be released by any act or omission on the part of the Debenture Trustee / Debenture Holders or by any other matter or thing whatsoever which under the law relating to sureties

would have the effect of so releasing the Guarantor and the Guarantor hereby waives in favour of the Debenture Trustee / Debenture Holders so far as may be necessary to give effect to any of the provisions of this Deed of Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

6. No Release

The rights of the Debenture Trustee / Debenture Holders against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Debenture Trustee / Debenture Holders and the other guarantor/s, if any, or notwithstanding the release of such other guarantor from liability and notwithstanding that any time hereafter the other guarantor/s may cease for any reason whatsoever to be liable to the Debenture Trustee / Debenture Holders shall be at liberty to require the performance by the Guarantor of its obligations hereunder to the same extent in all respects as if the Guarantor had at all times been solely liable to perform the said obligations. This Deed of Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee / Debenture Holders by Issuer and shall be valid and binding on the Guarantor and operative until repayment in full of the Obligations.

7. Principal Debtor

To give effect to this Deed of Guarantee, the Debenture Trustee / Debenture Holders may act as though the Guarantor was the principal debtor.

8. No Proof in Liquidation; No Exercise of Rights

(a) Whilst this Deed of Guarantee continues and so long as the Guarantor is in breach of its obligations under this Deed of Guarantee, the Guarantor agrees that:

(i) it shall not in the event of the liquidation of Issuer prove in competition with the Debenture Trustee / Debenture Holders in the liquidation proceedings; and

(ii) it shall have no right of subrogation or indemnity against Issuer nor shall it exercise any such rights available under law, to claim any sum relating to the Obligations from the Issuer, including those of subrogation and of proof in the Issuer's insolvency, and shall hold the benefit of any such rights on trust for the Debenture Trustee / Debenture Holders.

(b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any) against Issuer will arise only after all the Obligations of Issuer have been fully and completely discharged to the satisfaction of the Debenture Trustee / Debenture Holders.

9. Irrevocable Guarantee

This Deed of Guarantee shall be unconditional, absolute and irrevocable and the obligations of the Guarantor hereunder shall not be conditional on the receipt of any prior notice by the Guarantor or by Issuer and the demand or notice by the Debenture Trustee / Debenture Holders as provided in Clause 12 hereof shall be sufficient notice to or demand on the Guarantor.

10. Liability Not Affected

The liability of the Guarantor under this Guarantee shall not be affected by:

i) any change in the constitution, ownership or corporate existence of Issuer, any absorption, merger, conversion or amalgamation of Issuer with any other entity;

ii) any insolvency, liquidation, bankruptcy or similar situation or proceeding in respect of Issuer;

iii) any change in the management of Issuer or take-over of the management of Issuer by any

governmental authority;

iv) acquisition of Issuer and/ or of any of its respective undertaking(s) pursuant to any Applicable Law;

v) any change in the constitution of any of the Debenture Trustee / Debenture Holders;

vi) the absence or deficiency of powers on the part of the Guarantor to give guarantees and/or indemnities or any irregularity in the exercise of such powers;

vii) any intermediate payment or satisfaction of any part of the Obligations;

viii) the granting of any time or other indulgence to Issuer or any other person;

ix) any illegality, invalidity, irregularity or unenforceability of all or any part of the Obligations; or

x) any other act, thing or omission whatsoever whereby the liability of the Guarantor under this Guarantee would or may, but for this Clause, have been discharged, impaired or otherwise affected any other matter or thing whatsoever.

11. Continuing Guarantee

(a) This Guarantee shall be a continuing one and shall remain in full force and effect till the Final Settlement Date or till the Guarantor pays the Guaranteed Amount in full.

(b) Without limiting the generality of the foregoing this Guarantee shall continue to be effective and be re-instated should the Debenture Trustee / Debenture Holders be required as a result of any Applicable Law to return to Issuer or any other person any payment made by Issuer to them;

12. Notice of Demand

(a) Any Demand Certificate, notice or any other communication under this Guarantee shall be (i) in writing and (ii) sent by facsimile, courier or registered post at the address of the Guarantor specified in **Schedule 1** hereto.

(b) A Demand Certificate, notices and other communication shall be effective,

(i) if sent by facsimile transmission, when sent (on receipt of a confirmation to the correct facsimile number),
(ii) if sent by courier 2 (two) Business Days after deposit with the courier, and
(iii) if sent by registered post, when the registered letter would, in the ordinary course of post, be delivered whether actually delivered or not.

(c) An original of each notice and communication sent by facsimile shall be dispatched by courier or registered post, *provided* that the effective date of any such notice shall be determined in accordance with sub-clause (i) or (ii) of Clause 12(b), as the case may be, without regard to the dispatch of such original.

13. NO RIGHT OF Set-Off And Lien OF THE GUARANTOR

Until the Guaranteed Amount shall have been paid or discharged:

(i) The Guarantor will not by paying off any sum recoverable hereunder or by any other means or on any other ground claim any set-off or counterclaim against Issuer in respect of any liability on the part of the Guarantor to Issuer or claim or prove in competition with the Debenture Trustee / Debenture Holders in respect of any payment by the Guarantor hereunder or be entitled to claim or have the benefit of any set-off counterclaim or proof against or divided composition or payment by Issuer or the benefit of any other security which the Debenture Trustee / Debenture Holders

or any other lender may now or hereafter hold for any moneys or liabilities due or incurred by Issuer to any Debenture Trustee / Debenture Holders or to have any share therein but will hold on trust for and give to the Debenture Trustee / Debenture Holders, the benefit of any set-off, counterclaim, proof, divided composition or payment in the liquidation of Issuer or in any arrangement or composition with creditors;

(ii) any right of the Guarantor, by reason of performance of any of its obligations under this Guarantee, to be indemnified by Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised and enforced by it only in such manner and on such terms as the Debenture Trustee / Debenture Holders may require and any amount received or recovered by the Guarantor as a result of any exercise of any such right shall be held in trust for the Debenture Trustee / Debenture Holders and immediately paid to the Debenture Trustee / Debenture Holders; and

14. Payments; Gross Up

All payments to be made hereunder shall be at such place as designated by the Debenture Trustee / Debenture Holders. If the Guarantor is required to make a payment to the Debenture Trustee / Debenture Holders hereunder subject to the deduction or withholding of any nature (including any tax), the sum payable by the Guarantor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, the Debenture Trustee / Debenture Holders receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

15. Taxes and Expenses

The Guarantor agrees to bear all Taxes or any other levies (including stamp or documentary taxes) incurred in connection with this Guarantee and all costs, expenses or charges relating to or arising out of this Guarantee including all or any other Taxes and costs, expenses or charges incurred in connection with the preservation or enforcement of the rights of the Debenture Trustee / Debenture Holders.

16. Representations and Warranties

The Guarantor makes the following representations and warranties as of the date hereof and which representations and warranties shall survive the execution and delivery of this Guarantee till the Final Settlement Date:

(a) Status of the Guarantor

The Guarantor has good standing.

(b) Authorisation

The Guarantor has the competence, full power and authority to enter into this Guarantee and to exercise its rights and perform its obligations hereunder.

(c) Binding Effect

This Guarantee has been duly executed and delivered by the Guarantor and constitutes the legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) No material adverse change

There has been no material adverse change in the assets, business or consolidated financial condition of the Guarantor.

(e) Government Consents and Actions

All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (i) the execution, delivery or performance of the Guarantee, (ii) the legality, validity and enforceability hereof and (iii) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.

(f) No Contravention

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under (a) any provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or the assets of the Guarantor is or may be bound, (b) any treaty, law or regulation applicable to the Guarantor or (c) any judgment, injunction, order or decree binding upon the Guarantor or any of his/her assets. The Guarantor has done all such things as may be necessary or required under Applicable Law to ensure that this Guarantee is in full force and effect, does not breach any provisions of Applicable Law and is in full compliance with provisions thereof.

(g) No Default

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would become an Event of Default relating to the Guarantor under the Guarantee or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(h) Litigation

There are no legal, administrative or other actions, claims or other proceedings current, pending or, threatened against the Guarantor which if decided adversely would materially and adversely affect the financial condition, business or operations of the Guarantor or would materially and adversely affect the Guarantor's ability to perform its obligations under this Guarantee or which question the legality, validity or binding effect of any provision of this Guarantee.

(i) Immunity

The Guarantor has no immunity and the waiver of immunity by the Guarantor herein is legal, valid, binding and enforceable and the Guarantor is not entitled to claim for itself or any of its assets any right of immunity from suit, execution, attachment prior to judgment, attachment in aid of execution or any other legal process with respect to its obligations under this Guarantee in any jurisdiction, including, without limitation, India.

(j) Proper Legal Form

This Guarantee is in proper legal form under the laws of India for enforcement in the respective courts.

(k) Regulatory Requirements

It is not necessary to obtain any regulatory approval for this Guarantee, file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any stamp, registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than the payment of stamp duty on this Guarantee.

(l) Commercial Activity

The Guarantor is subject to civil and commercial law with respect to its obligations under this Guarantee. The execution and delivery of this Guarantee constitute, and the Guarantor's performance of and compliance with its obligations under this Guarantee will constitute, private and commercial acts rather than public or governmental acts.

(m) Full Disclosure

All information heretofore furnished by the Guarantor to the Debenture Trustee / Debenture Holders for purposes of or in connection with this Guarantee or any transaction contemplated hereby is, and all such information hereafter furnished by the Guarantor to the Debenture Trustee / Debenture Holders will be, true and accurate in all material respects on the date as of which such information is stated or certified. The Guarantor has disclosed to the Debenture Trustee / Debenture Holders in writing any and all facts which materially and adversely affect or may affect (to the extent the Guarantor can now reasonably foresee) the business, operations or financial condition of the Guarantor or the ability of the Guarantor to perform its obligations under this Guarantee.

(n) Further Assurance

The Guarantor hereby undertakes and agrees that, subject to Applicable Law, if so required by the Debenture Trustee / Debenture Holders, it shall do all such acts and things (including execution of instruments or documents) as may be required to implement and carry out the intent of this Guarantee.

(o) Security outstanding, unrealised or lost

This Guarantee shall be enforceable against the Guarantor notwithstanding that any post-dated cheques, negotiable instruments, security comprised in any instrument(s) executed or to be executed in favour of the Debenture Trustee / Debenture Holders shall, at the time when the proceedings are taken against the Guarantor under this Guarantee, be outstanding or unrealised or lost.

(p) Transfer of Assets

The Guarantor hereby agrees and gives consent to the sale, transfer, mortgage on prior, *pari passu* or subsequent charge basis, release etc., of any of the assets of Issuer from time to time as may be approved by the Debenture Trustee / Debenture Holders or to the release or lease out by the Debenture Trustee / Debenture Holders any or whole of the assets of Issuer charged to the Debenture Trustee / Debenture Holders on such terms and conditions as the Debenture Trustee / Debenture Holders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of Issuer. The Guarantor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease any of such assets would be necessary in future.

(q) Further Assistance

The Guarantor hereby agrees and declares that Issuer will be free to avail of further loan(s) or other facilities from the Debenture Holders or any other person and/or to secure the same during the subsistence of this Guarantee and in that event the guarantee herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Guarantor.

(r) No Consideration

In case the Guarantor is an individual, no consideration whether by way of commission, brokerage fees or any other form has been received or will be received by the Guarantor from the Issuer directly or indirectly for extending this Guarantee.

17. Covenants

17.1 The Guarantor covenants and agrees that from the date of this Guarantee and for so long as this Guarantee is outstanding:

(i) Compliance

The Guarantor shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all approvals, authorisations, consents and licenses required by Applicable Law to enable it lawfully to enter into and perform its obligations under this Guarantee or to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India;

(ii) Notifications

Further, the Guarantor shall notify the Debenture Trustee / Debenture Holders as soon as it becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (a) an Event of Default relating to Issuer, or (b) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee.

17.2 Shareholding:

a. The Guarantor shall not sell, transfer or encumber more than 2% of the shares of the Issuer held without the prior written consent of the Debenture Trustee/ Majority Debenture Holders. Any change in the stake upto the limit in both cases, IPO and non-IPO, respectively, as mentioned in the table below, shall require prior written consent of the Debenture Trustee/ Majority Debenture Holders:

Name	**Investment Type**	**Existing % stake**	**Consolidated Minimum stake required in case of No IPO**	**Consolidated Minimum stake required in case of IPO**
SUNITA BANSAL	Ordinary Equity	8.19	70%	51%

17.3 The Guarantor covenants and agrees to submit a Net Worth Certificate certified by chartered accountant of the Guarantor to the Debenture Trustee at the time of execution of this Guarantee. The Net Worth Certificate should not be more than 6 (six) months old from the date of this Deed

18. Governing Law

This Guarantee is governed by and shall be construed in accordance with the laws of India.

19. Jurisdiction

19.1 The Guarantor agrees that the courts and tribunals in Chennai shall have jurisdiction to settle any disputes which may arise out of or in connection with this Guarantee and that accordingly any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with this Guarantee may be brought in such courts or the tribunals and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

19.2 Nothing contained in this Clause shall limit any right of the Debenture Trustee / Debenture Holders to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue

of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

19.3 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

20. ASSIGMENT AND TRANSFER

The Debenture Trustee / Debenture Holders may, at any time, assign or transfer all or any of its rights, benefits and obligations under this Guarantee in accordance with the Debenture Trust Deed.

21. Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

22. Term of the Guarantee

This Guarantee shall expire on the Final Settlement Date. Provided that the expiry of the Guarantee shall not affect the liability of the Guarantor under this Guarantee up to and including the date of the expiry.

[Intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed these presents as a deed on the day, month and year written in Schedule 1 hereto and shall be deemed to be delivered on the date on which receipt of this Guarantee is acknowledged by the Debenture Trustee.

Signature:
Name: Sunita Bansal

Place: [●]
Date: [●], 2026

Receipt of this Guarantee acknowledged by the **Debenture Trustee** represented by _____, its authorised signatory

_____
Place:
Date:

SCHEDULE 1

GUARANTEE DETAILS	
Date of execution of this Deed of Guarantee	[●], 2026
Place of execution of this Deed of Guarantee	[●]
GUARANTOR DETAILS	
Name	Sunita Bansal
Contact number	[●]
Email	[●]
Address for Notice	[●]
Identity No.	[●]
OTHER DETAILS	
Issuer	**IFL FINANCE LIMITED**
Debenture Trust Deed	[●], 2026
Debentures	16,000 (Sixteen Thousand) unsubordinated, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000/- (Indian Rupees Ten Thousand Only) each and an aggregate face value of INR 16,00,00,000/- (Indian Rupees Sixteen Crores Only) ("**NCDs**" / **Debentures**")

SCHEDULE 2

Form of Demand Certificate

To:

.

[●]

Dated: [·]

Dear Sirs,

Re: Guarantee dated [·] (the "**Guarantee**") executed by ("**Guarantor**") in favour of **M/s. [•]** ("**Debenture Trustee**").

An amount of INR [•] is payable by **[●]** to the Debenture Trustee / Debenture Holders in terms of the Guarantee. Accordingly, we hereby give you notice pursuant to Clause 1.2 of the Guarantee that we require you to pay an amount of INR [•] by [•] to the bank account, details of which are set out below:

[*Account details*]

Capitalised terms used herein shall have the meaning given to them in the Guarantee.

Yours faithfully,

For [●]

Annexure-XIII

Personal Guarantee Details
Mr. Gopal Bansal
As on 07.01.2026

Sr No	Bank / FI Name	In Crore Sanctioned Amt	In Crore O/S as on 31.12.2025
1	State Bank of India (I+II)	25.00	3.52
2	State Bank of India (III)	30.00	15.52
3	AU Small Finance Bank Limited	5.00	0.52
4	AU Small Finance Bank Limited	5.00	0.93
5	AU Small Finance Bank Limited	12.50	6.54
6	AU Small Finance Bank Limited TL-5	20.00	14.92
7	AU Small Finance Bank Limited TL-6	25.00	24.86
8	City Union Bank	7.00	4.65
9	MAS Financial Services Term Loan -11	5.00	4.35
10	Hinduja Housing Finance Limited	5.00	0.25
11	Hinduja Housing Finance Limited	8.00	2.79
12	National Housing Bank	5.00	0.12
13	National Housing Bank	5.00	1.96
14	Ambit Finvest Private Limited	7.00	2.23
15	InCred Financial Services Limited	10.00	6.93
16	Sundaram Home Finance Limited	5.00	0.81

17	Sundaram Home Finance Limited-II	5.00	1.44
18	TATA Capital Financial Services Limited	5.00	0.35
19	TATA Capital Financial Services Limited - II	5.00	1.85
20	Northern Arc Capital Limited-II	10.00	2.89
21	Northern Arc Capital Limited-III	10.00	9.28
22	Western Capital Advisors Private Limited	8.00	2.04
23	Nabsamruddhi Finance Limited	5.00	1.83
24	Manappuram Finance Limited TL-1	10.00	2.52
25	DCB Bank Limited	3.00	0.26
26	Cholamandalam Investment & Finance Company Ltd	3.00	1.18
27	STCI Finance Limited TL-1	10.00	6.00
28	Bandhan Bank	10.00	2.95
29	Grow Money Capital Pvt. Ltd.	5.00	5.00
30	Vivriti Capital Limited-T1	5.00	2.07
31	Vivriti Capital Limited-T2	5.00	2.28
32	Kissandhan Agri Financial Services	5.00	2.46
33	Electronica Finance Limited	5.00	2.45
34	Poonawalla Fincorp Limited	10.00	7.02
35	Capital Small Finance Bank TL-1	10.00	7.59

36	A.K. Capital Finance Limited	20.00	7.41
37	Manappuram Finance Limited TL-2	7.00	5.94
38	Paul Merchants Finance Private Limited	10.00	8.40
39	Ambit Finvest Private Limited TL-3	10.00	8.83
40	Shriram Finance Ltd	10.00	9.29
41	Precious Tradeways Private Limited	10.00	10.00
42	Grip Invest Technologies Private Limited and Affiliates (Listed NCDs)	19.98	19.98
43	Capital Small Finance Bank TL-2	10.00	6.95
44	STCI Finance Limited TL-2	10.00	10.00
45	Northern Arc (SCLF)	16.00	16.00

Personal Guarantee Details
Mrs. Sunita Bansal
As on 07.01.2026

		In Crore	In Crore
Sr No	Bank / FI Name	Sanctioned Amt	O/S as on 31.12.2025
1	State Bank of India (I+II)	25.00	3.52
2	State Bank of India (III)	30.00	15.52
3	AU Small Finance Bank Limited	5.00	0.52
4	AU Small Finance Bank Limited	5.00	0.93
5	AU Small Finance Bank Limited	12.50	6.54
6	AU Small Finance Bank Limited TL-5	20.00	14.92
7	AU Small Finance Bank Limited TL-6	25.00	24.86
8	City Union Bank	7.00	4.65
9	Ambit Finvest Private Limited	7.00	2.23
10	InCred Financial Services Limited	10.00	6.93
11	Sundaram Home Finance Limited	5.00	0.81
12	Sundaram Home Finance Limited-II	5.00	1.44
13	TATA Capital Financial Services Limited	5.00	0.35
14	TATA Capital Financial Services Limited - II	5.00	1.85
15	Northern Arc Capital Limited-II	10.00	2.89
16	Northern Arc Capital Limited-III	10.00	9.28

17	Western Capital Advisors Private Limited	8.00	2.04
18	Nabsamruddhi Finance Limited	5.00	1.83
19	Manappuram Finance Limited TL-1	10.00	2.52
20	DCB Bank Limited	3.00	0.26
21	STCI Finance Limited TL-1	10.00	6.00
22	Bandhan Bank	10.00	2.95
23	Vivriti Capital Limited-T1	5.00	2.07
24	Vivriti Capital Limited-T2	5.00	2.28
25	Kissandhan Agri Financial Services	5.00	2.46
26	Poonawalla Fincorp Limited	10.00	7.02
27	Capital Small Finance Bank TL-1	10.00	7.59
28	A.K. Capital Finance Limited	20.00	7.41
29	Manappuram Finance Limited TL-2	7.00	5.94
30	Paul Merchants Finance Private Limited	10.00	8.40
31	Ambit Finvest Private Limited TL-3	10.00	8.83
32	Grip Invest Technologies Private Limited and Affiliates (Listed NCDs)	19.98	19.98
33	Capital Small Finance Bank TL-2	10.00	6.95
34	STCI Finance Limited TL-2	10.00	10.00
35	Northern Arc (SCLF)	16.00	16.00