

Rooted In You Built For You



About the Report

IIFL Home Finance Limited's Integrated Report (IR) has been developed to achieve the Company's objectives and values comprehensively. We recognise the importance of sharing our achievements, milestones, concerns and opportunities with our valued stakeholders annually. The Report serves as a critical communication tool, offering detailed information on our business verticals and processes and valuable insights into our economic, social and environmental aspects. Additionally, the Report aligns with our business strategy and highlights material issues that could impact our ability to create sustainable value. Our subsidiary, IIFL Sales, also plays a crucial role in our business ecosystem, contributing to our operational efficiency and market outreach. This subsidiary aids in driving sales and enhancing customer engagement, thereby supporting the overall growth and sustainability of IIFL HFL.

Our Approach to Reporting

This report has been prepared for IIFL Home Finance Limited (hereinafter referred to as 'the Company' or 'IIFL HFL' or 'We') and its subsidiaries following the principles of Integrated Reporting (IR) as set out by the Value Reporting Foundation (VRF). Our goal is to enhance transparency for all stakeholders by providing a comprehensive overview of our operational environment, strategy, significant challenges, risks, opportunities, stakeholder engagement and long-term sustainability approach. The Report integrates the creation of value across six capitals, encompassing both financial and non-financial aspects and provides insights into our efforts to generate sustainable value.

Reporting Period, Scope and Boundary

The reporting period for this Integrated Report is from April 1, 2024 to March 31, 2025.

Reporting Standards and Frameworks

In developing this report, we have adhered to the principles of Integrated Reporting (IR) as set out by the Value Reporting Foundation (VRF) to meet the needs of our diverse stakeholders. The Company fully complies with the regulations and guidelines established by NSE and BSE listings and SEBI. The statutory reports, including the Directors' Report, Management Discussion and Analysis (MD&A) section and Corporate Governance Report, are prepared following the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the prescribed Secretarial Standards. Additionally, the non-financial information presented in this report is based on the sustainability reporting standards of the Global Reporting Initiative (GRI Standards).

Our Approach to Materiality

The Integrated Report provides a comprehensive overview of our business operations and associated efforts that contribute towards generating sustainable value in the long term. The Report delves into several significant factors that may affect the Company's potential to create value and the measures taken to address these concerns.

Management Assurance

The content of the Report has been reviewed by our Company's senior management under the supervision of the CEO. Additionally, the Board members of the Company have provided the necessary oversight.

Recognizing the pivotal role women play in shaping India's homeownership landscape, we understand their aspirations for a secure and stable home resonate deeply within our society. Empowering women to realize their homeownership dreams isn't just a mission statement at IIFL Home Finance; it's a deeply personal commitment. We stand beside them, offering support and guidance at every turn, ensuring they have the resources to turn their aspirations into reality. Because every woman deserves a place to call home, we're dedicated to making that belief a reality for each of our clients.

Among the many aspirations people hold dear, home-ownership stands out as the most cherished. For Indians, owning a home carries deep cultural significance, symbolizing security, stability and financial success. At IIFL Home Finance, we deeply empathize with this sentiment. Thus, we've curated a comprehensive suite of home loans tailored for economically weaker sections and lower income groups of the community.

Along with empowering individuals with the choice to build their own home, we offer Jhatpat loan approval process ensuring quick disbursement and minimal paperwork. Besides, digital integration has enabled us to make loan applications instant and convenient, extending the reach to the first time home buyers in deeper geographies of the country.

From offering loans for the purchase, construction and renovation of homes to Secured Business Loans, we seek to meet the diverse needs of a discerning customer base. At the same time, we are aligned to the government's vision of 'Housing for All' and providing loans to Beneficiary Led Construction and Affordable Housing Project beneficiaries. Keeping customer-centricity at the core of our efforts, we believe in enriching customer experiences and ensuring quick turnaround times, with regular technological and digital interventions.

Over the years, our singular focus on providing reliable investment advice and operating in compliance with ethical and transparent business practices, has enabled us to build credibility and stay ahead of competition. Besides, our focus on technological innovations have allowed us to improve our service, broaden our reach and lay the foundation of a future-proof organisation.

At IIFL HFL, we are also cognizant of our responsibility towards the planet. Our initiatives such as Green Value Partner (GVP) and Kutumb, are means to reduce the negative impact of the construction industry on the environment. By supporting the development of green affordable housing in India, we endeavour to build the path for a more sustainable tomorrow.

Our online platformssuch as 'One Home', which is a B2C and B2B real estate platform helping people and partners in their dream property journey, allows to list potential buyers and host auctions in the most effective and efficient manner. One Home empowers property seekers on website and also simplifies auction processes for Banks and NBFC's enabling them to sell of their NPA's (Non-Performing Assets) easily.

Rooted In You Built For You

At IIFL Home Finance, our growth story is built on a simple but powerful insight: when we stay rooted in the needs of our customers, we can build solutions that are scalable, sustainable and impactful. Over the years, we have developed a unique operating model tailored to India’s evolving housing finance landscape—one that combines deep market understanding with robust technology, strong governance and sharp execution.

Our differentiated strategy is designed around underserved yet high-potential segments. We operate with a strong presence across Tier II–IV towns, enabling access to home ownership for India’s emerging middle class. With an in-house sourcing and collection model, a granular loan book, we continue to serve our target segments efficiently and effectively.

We have consistently invested in a native, technology-first ecosystem that empowers end-to-end digital workflows, ensures faster turnaround times and drives operational efficiencies. Centralised underwriting, advanced analytics and digital risk assessment allow us to maintain portfolio quality while scaling at speed. At the same time, our curated product suite—from home loans and renovation finance to secured business loans—caters to diverse needs, aligned with the government’s ‘Housing for All’ agenda.

Our liability franchise is equally strong, backed by leading Indian banks, global DFIs and asset managers. This allows us

to maintain a healthy funding mix and cost-efficient capital structure. With a focus on quality distribution, we continue to build an asset-light, branch-light and digitally integrated business that delivers across metrics: customer experience, reach and profitability.

We are also conscious of our environmental responsibility. Through initiatives like Green Value Partner and Humara Kutumb, we are actively promoting green, affordable housing and supporting the development of a more sustainable construction ecosystem. Our digital platforms such as One Home further strengthen our position as a forward-thinking housing finance partner, offering value to both consumers and institutional stakeholders.

With a sharp focus on governance, digital innovation and customer-centricity, we are well-positioned to drive inclusive, responsible growth in India’s housing finance sector.

Content

Corporate Overview

About the Company	04
Our Performance at a Glance	06
Our Journey	08
Where We Serve	10
Chairman’s Message	12
CEO’s Message	14
Financial Performance	16
Our Offerings	18
Operating Landscape	22
Business Model	24
Stakeholder Engagement	26
Materiality Assessment	28
ESG Strategy	30
Risk Management	36
Our Digital and Technological Prowess	38
Our Marketing Initiatives	40
Human Resources	42
Sustainability	46
Working for the Community	51
Governance	54
Board of Directors	56
Management Team	58

Statutory Reports

Directors’ Report	62
Report on Corporate Governance	107
Management Discussion and Analysis	139

Financials

Standalone	
Independent Auditor’s Report	150
Standalone Balance Sheet	160
Standalone Statement of Profit and Loss	161
Standalone Statement of Cash Flows	162
Standalone Statement of Changes in Equity	164
Notes to the Financial Statements	166
Consolidated	
Independent Auditor’s Report	258
Consolidated Balance Sheet	266
Consolidated Statement of Profit and Loss	267
Consolidated Statement of Cash Flows	268
Consolidated Statement of Changes in Equity	270
Notes to the Financial Statements	272
Corporate Information	343



Read this report online, visit:
iiflhomeloans.com/annual-reports



or Scan the
QR code

Disclaimer

Some information in this report may contain statements regarding the Company’s expected financial position, results of operations, business plans and prospects. These statements are generally identified by words such as “believe”, “plan”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, or other similar expressions. These statements rely on assumptions or bases which have been chosen in good faith and are believed to be reasonable in all material respects. However, actual results, performance, or achievements may differ materially from those expressed or implied in such statements. The Company undertakes no obligation to update or revise any such statements, whether due to new information, future events, or otherwise. Please note that a conversion rate of approximately 1 USD = 85.49 INR has been applied to round off financial figures except for figures in financial statements. All data as on 31 March, 2025 unless stated otherwise.

About the Company

Built Around You

IIFL Home Finance Limited (IIFL HFL) is one of India's leading affordable housing finance companies, dedicated to addressing the real housing needs of underserved communities. Our core mission is to make home ownership accessible for individuals from Economically Weaker Sections (EWS) and Lower Income Groups (LIG), empowering them to build secure and dignified lives.

IIFL Home Finance Limited (IIFL HFL), incorporated in 2006 and registered with the National Housing Bank (NHB) in 2009, operates as a subsidiary of IIFL Finance Limited, which holds a 79.59% stake. In 2022, the Abu Dhabi Investment Authority acquired a 20.41% share in the Company, enhancing our capital strength and reinforcing our global credibility.

We remain committed to inclusive lending, offering simple, fast and accessible loan products that empower first-time home buyers, particularly women and individuals in the informal sector, to fulfil their housing aspirations. Through our co-lending initiatives, we align with government's objective of expanding credit access for the marginalised communities at affordable interest rates, ensuring that our solutions are efficient and designed for those who need them most.


376

Branches

4,54,847*

Customers

Presence Across

18 States and **2** Union Territories

*Since inception



Mission

To be the most respected financial services Company in India. Not necessarily the largest or most profitable.



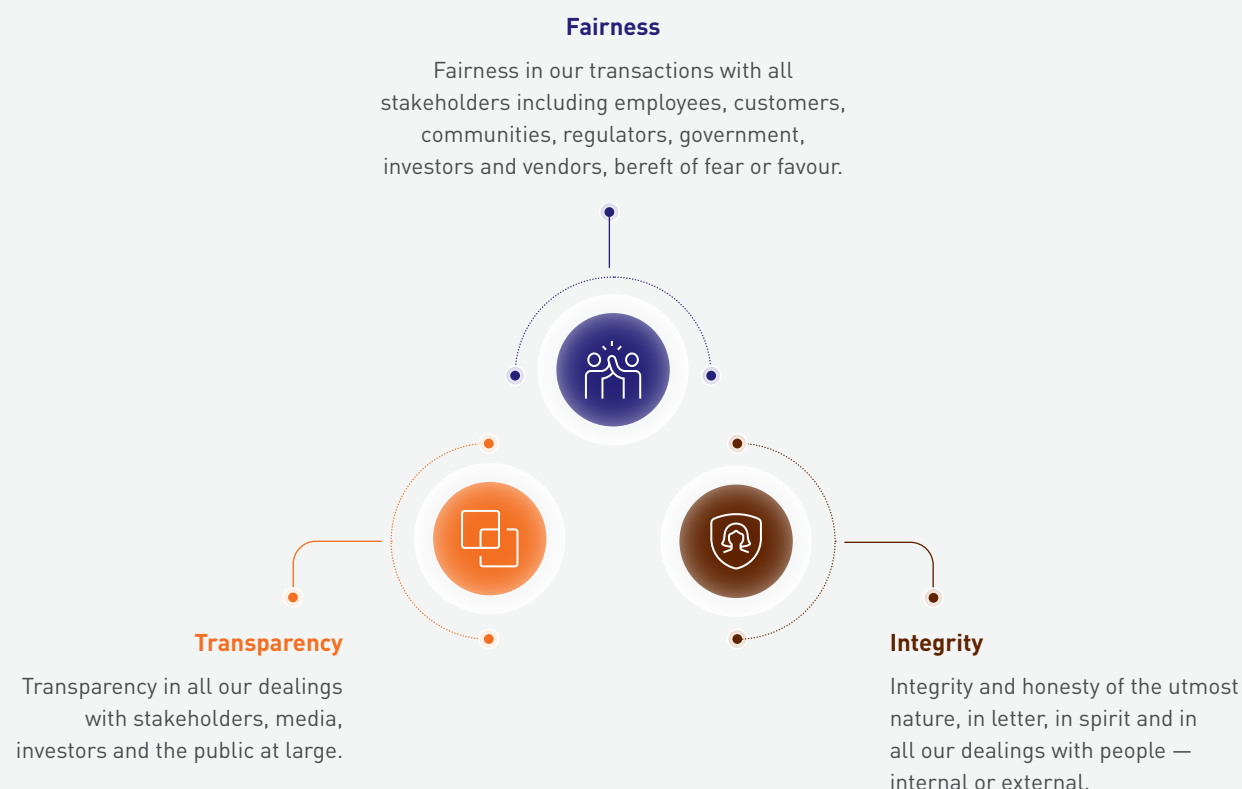
Vision

Enabling sustainable housing through strong foundation of innovation, sustainable lending practices and social impact.



The values we live by

Our core values serve as a moral compass in all our activities. Fairness, Integrity and Transparency — FIT is the driving force behind all that we do at IIFL HFL.





Our Performance at a Glance

Milestones that Matter

Financial highlights

Our financial strategy continued to prioritise asset quality, cost efficiency and steady profitability. With a stable credit environment and strong underwriting practices, we maintained resilience while expanding reach and unlocking new growth opportunities.

₹39,732 Cr (\$4.65 Bn)
Assets Under Management

₹10,623 Cr (\$1.24 Bn)
Total Loans Disbursed

₹976 Cr (\$114 Mn)
Profit After Tax

3.8%
Return on Assets

14.0%
Return on Equity

47.15%
Capital Adequacy Ratio (CRAR)

Operational highlights

Our operations continued to prioritise customer experience, inclusive outreach and digital agility. By deepening our presence in India and accelerating innovations, we are redefining home loan accessibility for underserved families.

4,54,847*
Total Customers Served Since Inception

2,97,529*
First-Time Home Buyers Financed

2,40,948*
Women Borrowers / Co-Borrowers

2,01,153*
Loans to People from the Informal Segment

₹15.35 Lakhs
Average Ticket Size (Home Loan)

990+*
Properties Sold via One Home platform

ESG highlights

We are advancing our environmental and social priorities through purposeful action by financing sustainable housing, enhancing rural education and enabling women empowerment. Our ESG focus remains integral to how we are creating long-term value across communities.

26,358*
Green Housing Units Financed

834
Green Home Loans Disbursed in FY25

1,652.33** tCO2e
Scope 3 Emissions

24,317* MWh
Energy Saved

1,404* ML
Water Saved

*Since inception

*Since inception
**Scope 3 emissions have been disclosed for the first time in FY 2024-25 to enhance transparency across the entire value chain

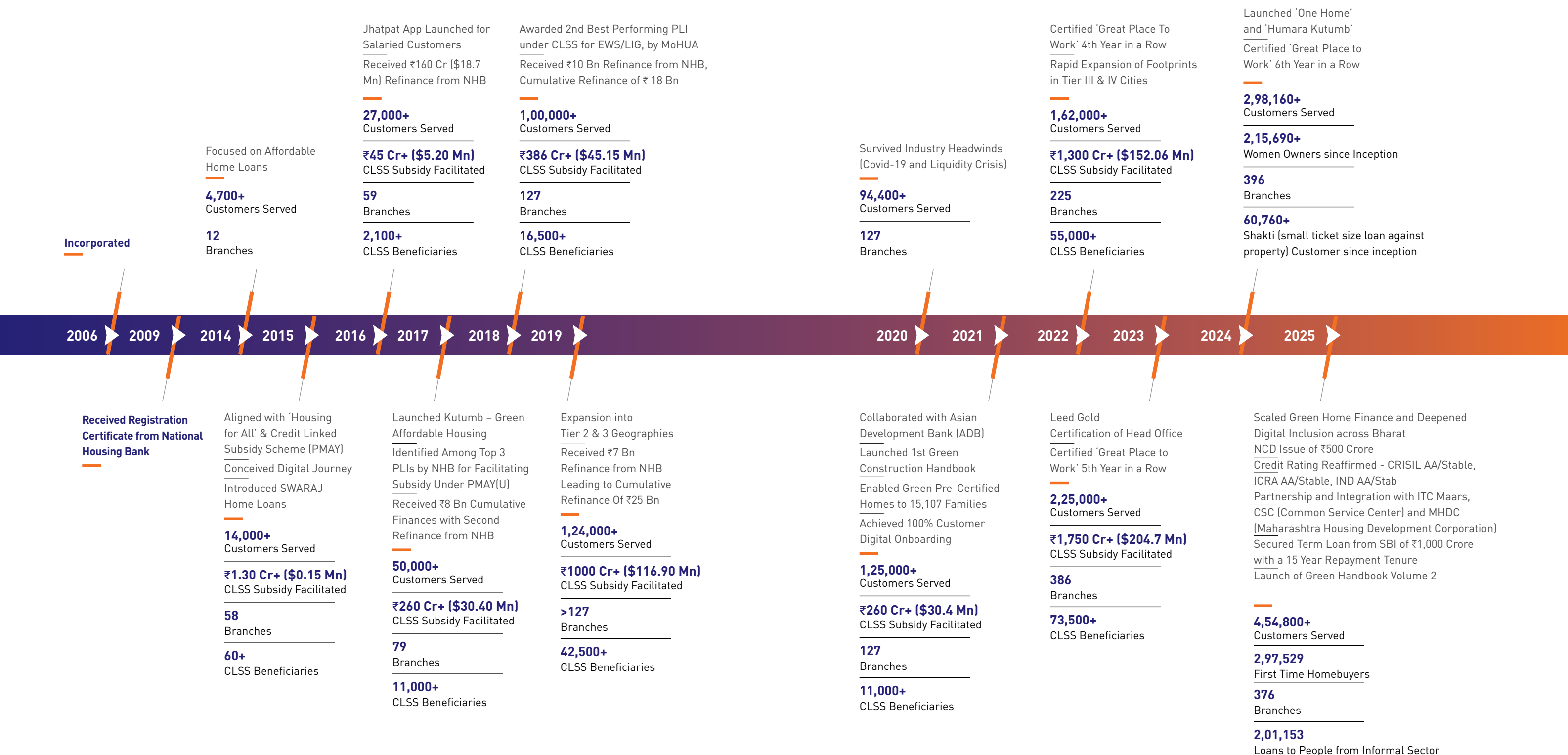




Our Journey

Evolving with India's Aspirations

Over the years, we have grown with the evolving needs of India's housing landscape — expanding our reach, refining our offerings and deepening our impact.

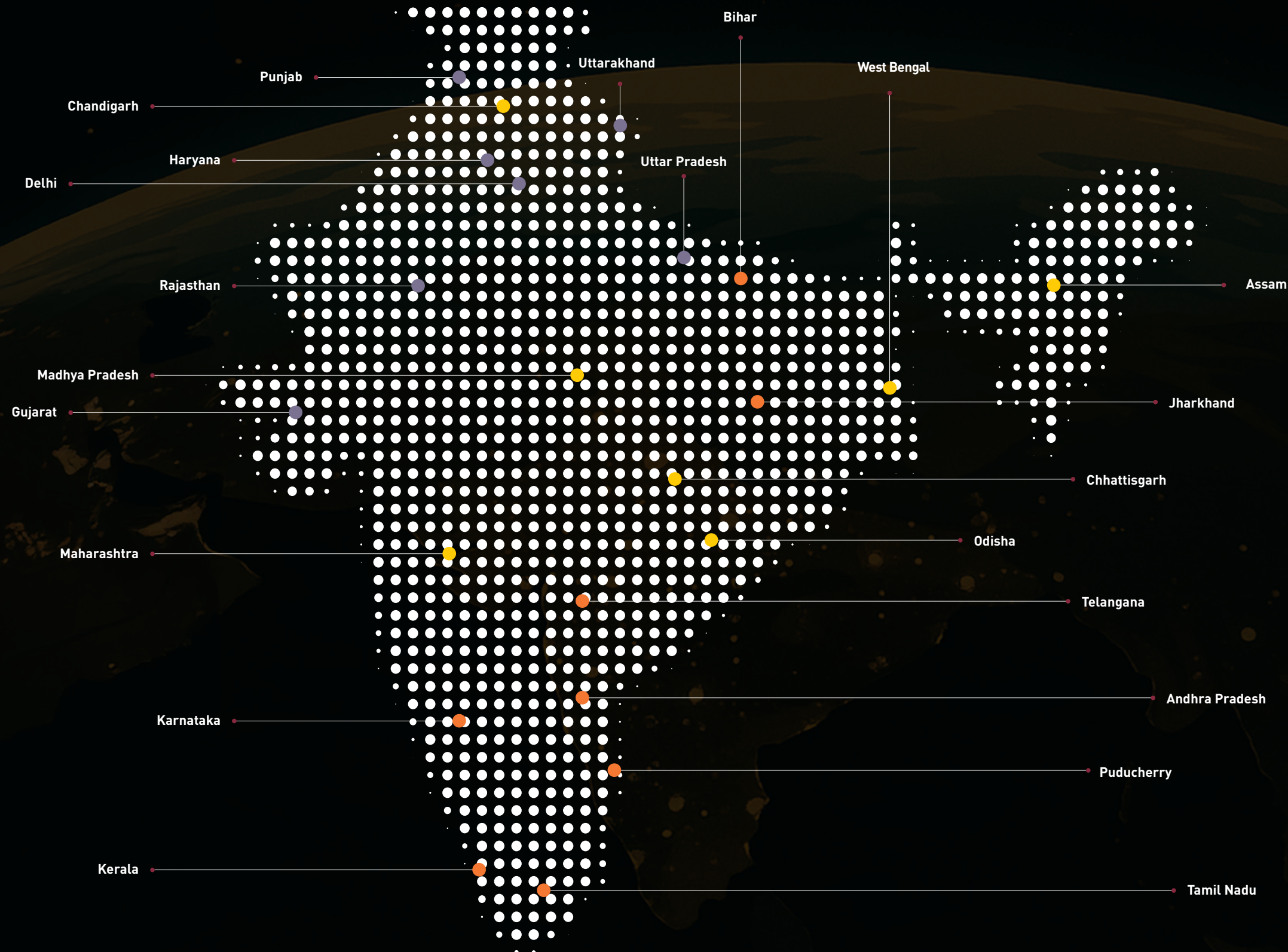




Where We Serve

Rooted in Every Region

Our growing presence across India's diverse regions helps bridge the last-mile gap in housing credit access.



Zones	State	AUM (in Cr)
South	AP-Andhra Pradesh	2,618.82
	TG-Telangana	3,707.15
	TN-Tamil Nadu	1,202.81
	KA-Karnataka	2,523.03
	KL-Kerala	6.16
	PY-Puducherry	19.34
Central	AS-Assam	32.94
	CH-Chandigarh	738.87
	MH-Maharashtra	7,751.79
	MP-Madhya Pradesh	2,792.55
	OR-Odisha	18.45
	CT-Chhattisgarh	398.46
	WB-West Bengal	889.91
North	DL-Delhi	8,828.05
	GJ-Gujarat	3,419.40
	HR-Haryana	399.94
	PB-Punjab	1,074.81
	RJ-Rajasthan	2,433.99
	UP-Uttar Pradesh	598.20
	UT-Uttarakhand	277.38
Grand Total		39,732.04

Over
80%
of Our Branches
are in Tier
II, III & IV Cities

Chairman's Message



Our geographic footprint reflects the evolving contours of housing demand in India. Rather than focusing solely on major urban centres, we have strategically expanded into Tier II, III and IV towns, where demand is increasing.

Dear Stakeholders,

As I reflect on our journey, I see not milestones and metrics, but moments. A woman unlocking the door to her first house. A small trader turning an idea into a flourishing business. A young dreamer stepping forward with confidence because someone believed in his potential and business idea. These are not isolated stories but the roots from which IIFL Home Finance draws its strength. We have always strived to make finance accessible and as we grow, it is these everyday aspirations that keep us grounded and it is in serving them that we find our true purpose. As a subsidiary, IIFL Home Finance's performance is integral to IIFL Finance's consolidated results. Our parent Company's diversified offerings, including home loans, gold loans and MSME lending, benefit from IIFL Home Finance's focus on affordable housing, which caters to the growing

home demands driven by conducive government schemes.

Affordable housing continues to be a cornerstone of India's development strategy, with demand accelerating in emerging urban centres, driven by rising aspirations. Government programmes like the Pradhan Mantri Awas Yojana – Urban (PMAY-U) have played a transformative role, helping millions inch closer to home ownership. The Pradhan Mantri Awas Yojana (PMAY) 2.0, the recent instalment of its urban counterpart, aims to address housing needs for 2 crore eligible urban families over five years. By leveraging PMAY 2.0, we aim to transition from PMAY 1.0 to penetrate deeper into underserved markets, enhancing our reach and market share, particularly among first-time home buyers. This aligns with our focus on affordable housing finance, especially for EWS and LIG, enhancing their growth

by expanding the potential market for their loan products.

Recent policy advancements and stronger alignment between government and private institutions has reaffirmed the relevance of our business model. Our model is built to scale, combining disciplined credit practices with an agile operating structure. This enables us to effectively serve the rising demand for affordable housing across India's emerging cities, where the opportunity for growth is significant.

Built Around Bharat, Calibrated for Growth

Our geographic footprint reflects the evolving contours of housing demand in India. Rather than focusing solely on major urban centres, we have strategically expanded into Tier II, III and towns, with increasing demand. Even

within metropolitan regions, our efforts are concentrated in emerging zones and the fringes, where infrastructure development, favourable pricing and supportive policies are creating a viable landscape for affordable and sustainable living.

However, the viability of affordable housing goes beyond its scale; it lies in its resilience. Despite fluctuations in interest rates and liquidity, the demand for affordable housing—particularly among lower- and middle-income households, specifically the EWS and LIG segments—remains consistent. This stability, coupled with a relatively underserved market, allows for responsible risk taking and strong risk-adjusted returns. With limited formal credit options available in this space, we are able to bridge the gap through well-priced loan offerings while maintaining healthy margins. Our unit economics remain strong, underpinned by prudent credit filters, efficient cost structures, portfolio visibility and digital customer servicing. We have always endeavoured to continually enhance our productivity through digitalisation, optimal work processes, so as to transmit benefits to our customers.

Capital, Markets and Governance Strength

The strength of our institution is built as much on strong partnerships as it is on our operational performance. The trust and support of institutions like the Abu Dhabi Investment Authority (ADIA), National Housing Bank (NHB), International Finance Corporation (IFC), U.S. International Development Finance Corporation (DFC) and other Development Finance Institutions (DFIs) reflect their confidence in our governance practices, business projections and strategic directions. These alliances empower us to focus on long-term growth and sustainable value creation, rather than short-term capital cycles.

Embedding Sustainability into the Core

We champion sustainable financing by integrating robust ESG principles into our lending practices. Our commitment to social inclusion is evidenced by a 15% year-on-year increase in women

borrowers, an 8% rise in EWS/LIG customers and a 14.65% growth in first-time home borrowers. We enhanced operational disclosure, social inclusion and ethical governance practices. We empowered under-represented groups, with a significant increase in women borrowers and economically vulnerable sections. Our support of eco-friendly housing has also delivered an annual carbon reduction of over 22,371 tCO₂e and energy savings of 24,317 MWh.

Initiatives such as the Kutumb "Green Handbook", developed in collaboration with the Indian Institute of Technology Bombay, guide sustainable construction practices for homeowners, especially those in EWS/LIG categories and self-construction borrowers. This handbook provides practical insights into constructing energy-efficient, water-saving and low-waste homes. The Impact Calculator, developed during our GHB enables stakeholders to estimate greenhouse gas (GHG) savings in real time. Also, our Kutumb Pro App, developed to monitor ESG performance at construction sites, is being scaled up across our builder partner network.

We have been independently recognised across multiple global and domestic benchmarks. We received a score of 27 in S&P's Corporate Sustainability Assessment (CSA), against an industry average of 32, offering key insights as we work to enhance our ESG performance.

Governance with a Lens on Risk and Inclusion

Your Company have reconstituted our Board to incorporate diverse perspectives and expertise in finance, sustainability, digital transformation and social inclusion. Our governance framework adheres to SEBI's ESG requirements and complies with the RBI's supervisory guidelines for NBFC-HFCs. Internally, risk management is supported by robust borrower protection policies, thorough internal audits and proactive early warning frameworks.

In line with our strategy to diversify our funding, Your Company's recent public issue of secured, rated, listed redeemable non-convertible debentures

(NCDs) was oversubscribed, raising ₹ 380 Crore. The capital raised will be prudently allocated to onward lending, enabling us to expand our affordable housing finance offerings, particularly for the EWS and LIG segments. Additionally, the funds will support the refinancing and servicing of existing indebtedness, including timely repayment, while also facilitating general corporate purposes that align with our core objectives. We look forward to another NCD issue as part of our second tranche plan for the upcoming fiscal year.

Looking Ahead

As we look forward to FY26, we are well-positioned for sustained and robust growth, supported by a combination of strategic strengths and emerging opportunities. The continued expansion of infrastructure, continued strong economic growth prospects, rising demand for affordable housing and the growing emphasis on sustainable living align seamlessly with our mission to empower home-ownership across the nation.

On behalf of the Board of Directors, I extend sincere gratitude to our shareholders, lending partners, regulators, customers and employees for their continued trust. Together, we are building a resilient, responsive and agile institution, rooted in inclusion and committed to sustainable, long-term growth.

Thank you for your continued trust and support.

Sincerely,

S. Sridhar
Chairman



CEO's Message



Dear Stakeholders,

Every day at IIFL Home Finance, our work begins with a simple yet powerful question: how can we make owning a home easier, more accessible and truly sustainable for those who need it most? FY25 was about answering that question meaningfully. It wasn't just about achieving targets—it was about deepening our purpose, strengthening our systems and showing up for the communities that rely on us. With innovation as our compass and inclusion as our anchor, we continued to serve the real and evolving aspirations of homeowners and entrepreneurs across India.

With a strong focus on customer-first digitalisation and sustainable, affordable housing, we grew our reach across underserved markets—helping more individuals take those first steps toward building homes or launching businesses. Our progress mirrored the housing

finance industry's estimated 14% growth, driven by our team's resilience and our commitment to doing things differently and doing them well.

Our Assets Under Management (AUM) rose by 12% year-on-year to ₹39,732 Crore. Profit After Tax (PAT) was ₹976 Crore. Disbursals reached ₹10,623 Crore, reflecting a thoughtful, calibrated approach to sustaining portfolio health.

Asset quality remains central to our operations and through active steps—including ARC-linked resolutions of approximately ₹48 Crore—we've kept our foundation steady. Today, we're proud to have a customer base of over 4.5 Lakh, including 2.6 Lakh women borrowers—each a reflection of the trust we've earned.

Optimising Distribution, Expanding Reach and Strengthening Brand Presence

With over 376 branches across 18 States and 2 Union Territories, we took considered steps in FY25 to optimise our network and improve cost-to-income ratios. Even with these adjustments, we remained deeply connected to our core customer geographies and segments.

We've continued to expand across smaller towns and cities, bringing financial access to underserved regions and fast-growing urban peripheries. This focus reflects both our mission and the government's vision for housing for all.

Our on-ground efforts also aligned with PMAY-U 2.0, a scheme aimed at supporting 2 Crore eligible urban families over the next five years. Through this platform, we're able to meet the rising

demand among first-time homebuyers in lower-income segments.

On the brand front, initiatives under PMAY-U 2.0 reached over 350 locations and more than 100 branches carried active offline branding. Our campaign film, Bharose ki Keemat, resonated widely, crossing 2.6 million views across five regional languages.

Driving Efficiency Through End-to-End Digitalisation

We've built one of the fastest, most efficient home loan journeys in the industry, fully automated from application to disbursal, with most loans processed in just 30 minutes. This isn't just about speed—it's about giving customers the confidence that they can count on us when it matters most.

We've also empowered them with tools: WhatsApp chatbots, voice bots and intuitive dashboards that put control in their hands—from EMI tracking to date changes and part-payments. Onboarding is simpler too, with vernacular documentation helping us meet people where they are.

Through India Stack and Digital Public Infrastructure (DPI), we've made KYC, payment processing and asset verification faster and more reliable. Our hybrid cloud infrastructure ensures that the digital backbone of our services is secure, scalable and future-ready.

Strengthening Financial Efficiency

Our collections function grew stronger this year, with new leadership, wider ground coverage and deeper data insights that sharpened how we monitor and manage performance.

As part of our commitment to diversified funding, our recent public issue of secured NCDs raised ₹380 Crore. These funds will go toward affordable housing lending, refinancing existing debt and fuelling our next chapter of growth.

Championing Sustainable Affordable Housing

As the need for climate-resilient housing becomes more urgent, we're proud to be building momentum as a frontrunner in India's green affordable housing space—bringing sustainability to homeowners often left out of that conversation.

Through Humara Kutumb, our flagship programme, we supported self-constructed homes in EWS and LIG segments to adopt green building practices. We certified our first batch of homeowners this year and we're excited to scale this impact further in the coming years.

We also launched the second edition of our Green Handbook: Building Homes for Tomorrow, developed with IIT Bombay and architect Ashok B. Lall. The handbook—now being adapted into five regional languages—translates technical guidance into locally relevant, usable knowledge for grassroots stakeholders.

To support adoption, we are evolving our Kutumb App, a mobile-based platform made specifically for self-constructing homeowners, masons and small contractors in low-income communities. It breaks down technical know-how into simple, regional content—covering passive design, energy and water efficiency and cost-effective green materials. The app also houses the full Green Handbook for use in the field.

Looking ahead, we're co-developing an impact calculator with IIT Bombay—an easy tool to estimate water and energy savings from home design choices, turning abstract metrics into real-world savings and environmental benefits.

Together, these efforts are moving us closer to our vision—where sustainability isn't a value-add, but a built-in foundation of affordable housing in India.

Building Capability and Culture for a Future-Ready Workforce

This year, we leaned into building a stronger, more adaptable workforce. We focused on capabilities that matter—customer service, sustainability and digital skills—while sharpening performance through initiatives like Elevate and Samiksha that link individual growth to organisational outcomes.

We have also doubled down on culture—anchoring it in accountability, inclusion and transparency. Our digital HR systems and continuous feedback mechanisms helped align teams, recognise talent and keep everyone moving in the same direction.

And we're incredibly proud to share that we were recognised as a Great Place to Work for the seventh time—a milestone that reflects not just what we've built, but who we've built it with.

Poised for Sustainable Growth

As we step into FY26, our focus remains on granular home loans and high-yield verticals. Our priorities are clear: speed up disbursals, improve branch productivity, and drive digital performance. With easing interest rates and an asset-light growth strategy, we're well placed to deepen financial inclusion, grow our green portfolio, and keep housing affordability at the centre of our mission.

To our customers, employees, partners, investors, regulators and communities—thank you for trusting us. The road ahead holds tremendous promise and we're ready to move forward with clarity, purpose and the strength of a team that believes in what we do.

Best,

Monu Ratna

Executive Director (ED) &
Chief Executive Officer (CEO)

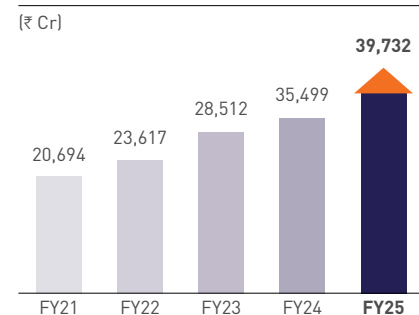


Financial Performance

Impact through Scale

Built on trust and discipline, our financial journey reflects how we turn scale into strength and impact.

Assets Under Management (AUM)



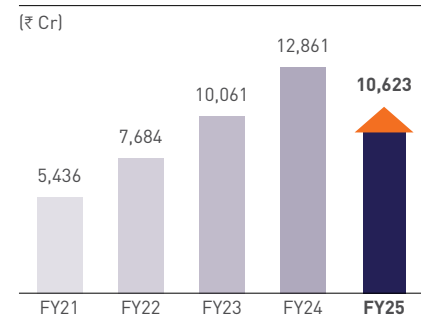
12%
YoY Growth

19%
3 Year CAGR

Drivers

AUM grew on the back of sustained focus on affordable housing and deeper penetration in semi-urban markets

Disbursal



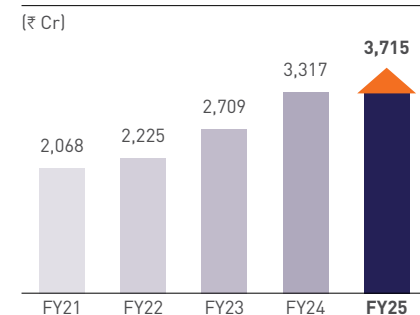
-17%
YoY Growth

11%
3 Year CAGR

Drivers

Disbursals were calibrated to maintain asset quality amid selective underwriting

Revenue



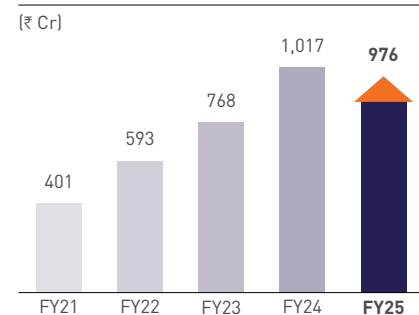
12%
YoY Growth

19%
3 Year CAGR

Drivers

Revenue growth was supported by stable yields and a well-diversified retail loan book

Profit after Tax (PAT)



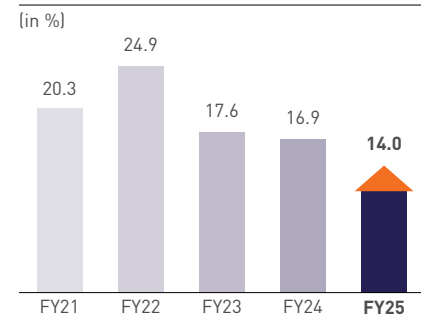
-4%
YoY Growth

18%
3 Year CAGR

Drivers

Profitability saw a slight dip primarily due to calibrated disbursals and higher credit costs

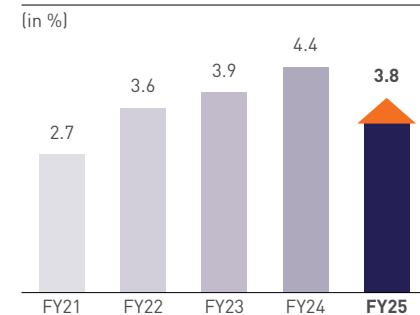
Return on Equity



Drivers

RoE moderated due to slightly lower profitability, higher equity base and long-term capital preservation strategy

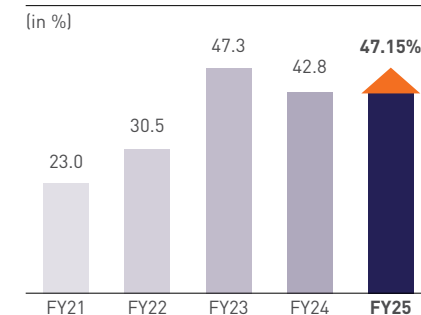
Return on Assets (ROA)



Drivers

RoA moderated due to slightly lower profitability and a higher asset base

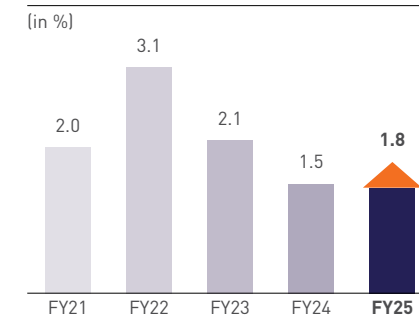
Capital to Risk (Weighted) Assets Ratio



Drivers

CRAR remained strong at 47.15%, indicating a well-capitalised position to support future growth

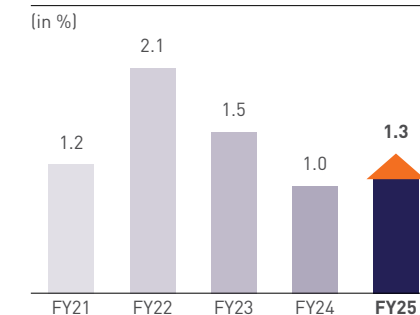
Gross Stage 3



Drivers

Gross Stage 3 assets saw a increase primarily due to increased stress in the Micro LAP segment

Net Stage 3



Drivers

Net Stage 3 assets rose primarily due to higher Gross Stage 3 assets. The Company continues to carry a healthy overall Provision Coverage Ratio of more than 90% on Gross Stage 3 assets





Our Offerings

Built Around Your Needs

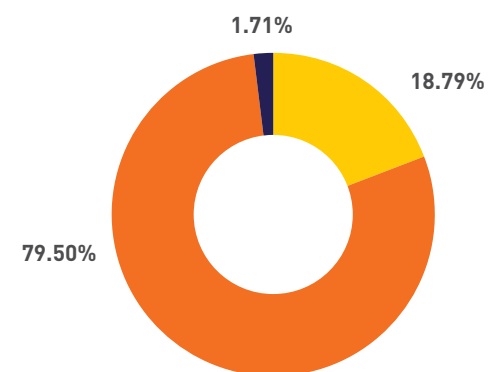
Our solutions are rooted in a deep understanding of our customers and are designed to adapt to their evolving financial needs.



Home Loan

We offer home loans that are simple, fast and inclusive, designed to meet the needs of first-time buyers, underserved segments and individuals with informal or non-traditional income sources. With our digital-first approach, personalised support and flexible terms, we make homeownership a reality for those often excluded from formal credit systems.

Portfolio Mix



- Home Loans
- LAP
- Construction Finance

Key attributes

- Suitable for salaried, self-employed and informally employed individuals
- Quick approvals through the 'Jhatpat' platform within 30 minutes
- Minimal documentation and fully digital onboarding
- Affordable interest rates and flexible repayment options
- Strong field support and customer engagement
- Special focus on first-time buyers in EWS and LIG categories
- Aligned with Government's 'Housing for All' initiatives

3,40,698*

Customers Served

2,97,529*

First Time Home Buyers

2,34,625

Active Customers

₹15.35 Lakh (\$17,956)

Average Ticket Size

₹1,753 Cr

(\$ 205.11 Mn)

Credit Linked Subsidy (Under PMAY) Facilitated

2,01,153*

Loans to People from Informal Sector

26,690+

Loans Disbursed to BLC Households

73,000+

Loans to CLSS Beneficiaries



Loan Against Property (LAP)

Our Loan Against Property (LAP) solutions are designed to help individuals unlock the value of their residential or commercial properties to meet personal or business needs. These secured loans offer financial flexibility for purposes such as business expansion, home renovation, or working capital requirements.

With small-ticket options, simplified documentation and doorstep onboarding, our offerings are tailored for those with limited or informal income documentation, ensuring greater financial inclusion and economic empowerment.

Key attributes

- Secured loans against residential or commercial property
- Enables access to capital without selling the asset
- Suitable for self-employed individuals and those with informal income
- Small-ticket loan options to support micro and home-based enterprises
- Simplified processing with minimal documentation
- Doorstep onboarding to improve accessibility, especially for women borrowers

₹ 11.83 Lakh (\$13,840)

Average Ticket Size

₹ 2,042 Cr (\$239 Mn)

Value Disbursed

1,13,689*

Customer Served

74,081

Active Customers



Construction Finance

We offer construction finance solutions to select developers engaged in affordable housing projects. This segment supports our broader goal of enabling housing access by strengthening the supply side of the ecosystem.

Key attributes

- Targeted funding for affordable housing construction
- Focus on small and mid-sized developers
- Supports housing supply in underserved locations

₹ 694.89 Lakh (\$813,017)

Average Ticket Size

₹ 372 Cr (\$43.51 Mn)

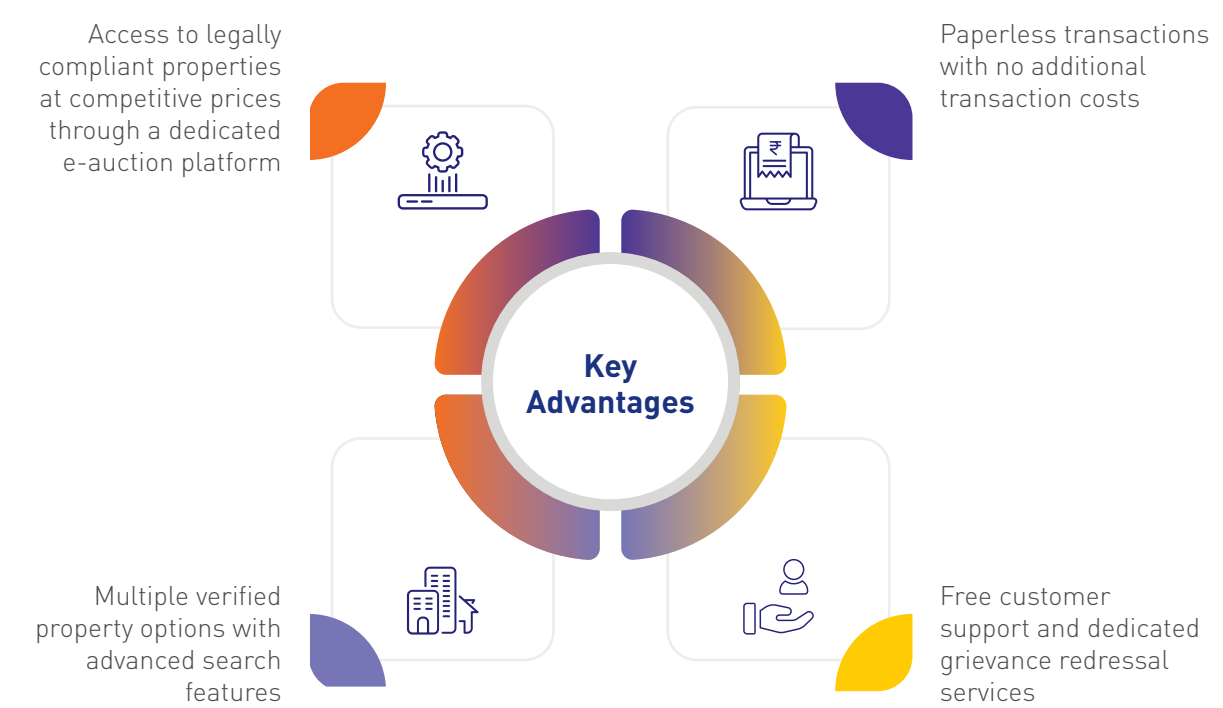
Value Disbursed

195*

Developers Served

IIFL One Home

IIFL One Home is a comprehensive digital real estate platform designed to simplify the buying, selling and e-auctioning of properties. Focused on customer convenience, it offers verified listings, digitised processes and end-to-end transparency. The platform caters especially to affordable housing and is accessible to both domestic and global users.



5,900+

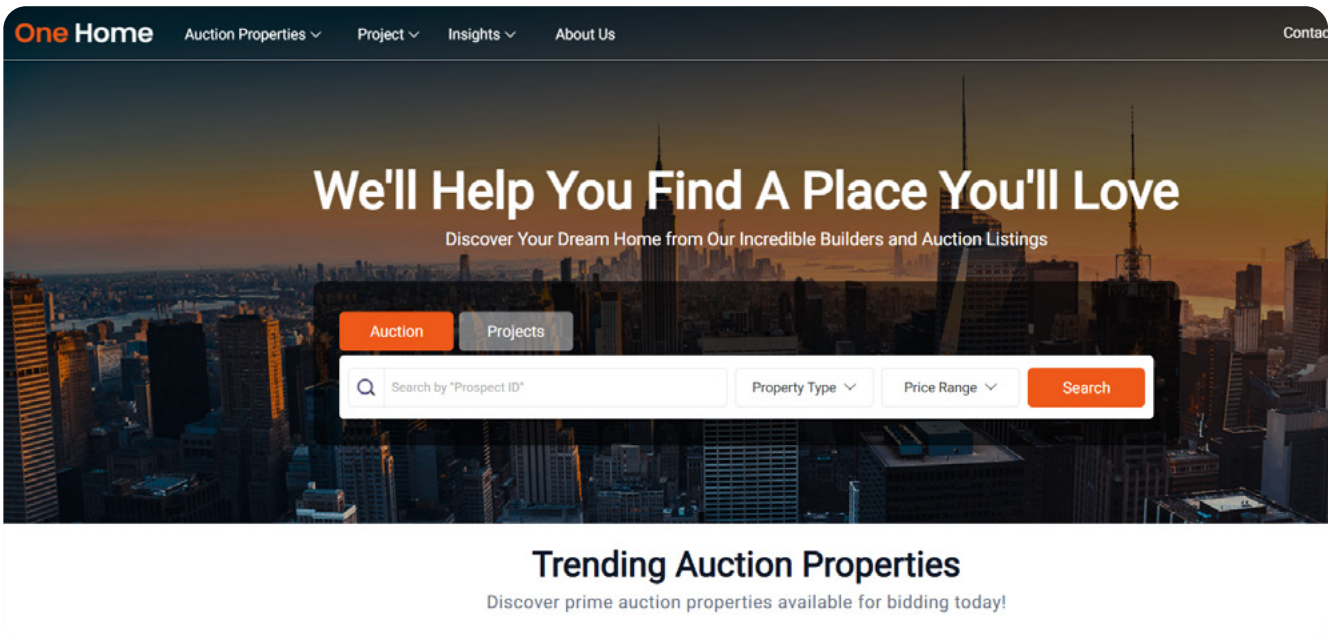
Auction Conducted

30,000+

New User Engaged

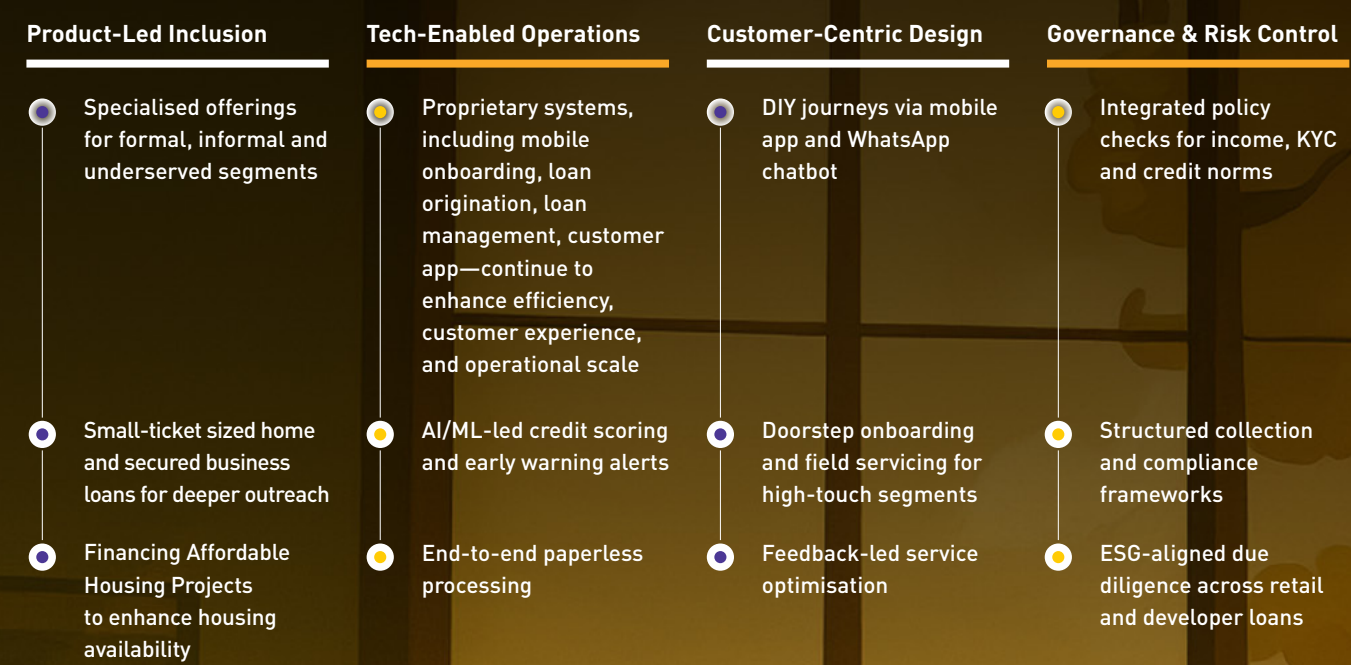
990+

Properties Sold



What powers our offerings

Driving force behind our solutions



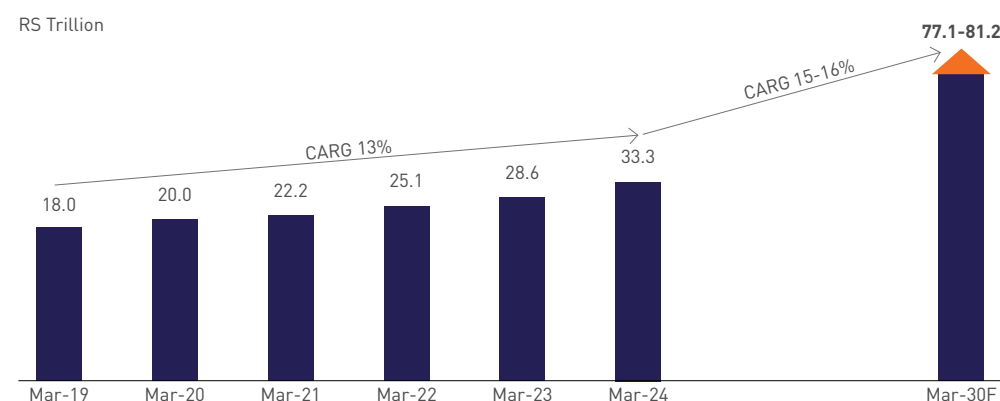


Operating Landscape

Building Trust Where it Matters Most

India's housing finance market is growing rapidly, driven by long-term structural trends like urbanisation, nuclearisation of families and affordability reforms. While banks dominate the high-ticket urban housing segment, housing finance companies continue to grow in Tier 2, 3 and rural areas, meeting the needs of informal income borrowers and first-time home buyers— a space where IIFL HFL has built deep expertise and trust.

The outstanding housing loan market is expected to exceed ~77 trillion by FY2030



Source: National Housing Bank, CareEdge Ratings

Key policy enablers

Pradhan Mantri Awas Yojana (PMAY)- Offers interest subsidies to EWS/LIG households, supporting first-time homeownership.

PMAY-U 2.0- Targets 2 Crore additional urban homes with improved access, financing support and focus on inclusion.

Key highlights



IIFL HFL's Reach under PMAY-U 1.0

₹ 1,753 cr

(\$ 205.11 Mn)

Credit Linked Subsidy (Under PMAY) Facilitated

73,000+

Loans to CLSS Beneficiaries

26,690+

Loans Disbursed to BLC Households

₹ 694.05 Cr (\$ 81.19 Mn)

Disbursed to Beneficiary Led Construction (BLC) and Affordable Housing in Partnership (AHP)

Revised Priority Sector Lending (PSL) Norms (effective April 01, 2025)- Broaden credit access by including affordable housing loans under expanded PSL criteria.

Change in loan limit to individuals for purchase/construction under revised PSL guidelines

City Type; based on Population	Loan Limit (₹ Lakhs)		Max. Dwelling Unit Cost (₹ Lakhs)	
≥ 50 Lakh	35	50	45	63
10 to 50 Lakh	25	45	45	57
< 10 Lakh	25	35	35	44

OLD NEW

Interest Subvention Schemes and Housing Incentives- Promote affordability for low-ticket loans, especially in semi-urban and rural areas.

Affordable Housing Classification- Encourages lenders to focus on small-ticket loans by enabling capital and tax benefits.

Support for Green Housing & ESG Disclosures- Push from NHB and regulators for sustainability-linked finance and energy-efficient housing.

Industry trends

Strong Momentum in Affordable Housing

Affordable housing remains the core growth driver, especially in Tier 2 and 3 cities, backed by PMAY and policy incentives. With 90% of India's housing shortage concentrated in EWS and LIG segments, this sector remains a key growth engine.

Informal sector lending expands

A large portion of India's population remains outside the formal income ecosystem. HFCs are increasingly building risk models that rely on alternative data to assess credit worthiness.

Digitisation of Credit Value Chain

Tech adoption is no longer a differentiator it is a requirement. AI/ML-based underwriting, real-time credit scoring, digital documentation and omnichannel servicing are becoming industry norms, enabling scale while controlling costs.

ESG integration and green housing push

Green housing is gaining traction among regulators, borrowers and investors. Lending institutions are now encouraged to track energy efficiency, sustainability certifications and ESG risks in their portfolio.

Our response

Focused Affordable Lending

We offer fast, accessible home loans designed for EWS and LIG borrower with a focus on first time home buyers and women.

Tailored solutions for informal income segments

We have developed specialised products for informal workers and self-employed borrowers, using behavioural insights and alternative data for credit evaluation, thereby extending financial access responsibly.

Tech-First, Paper-Less Journey

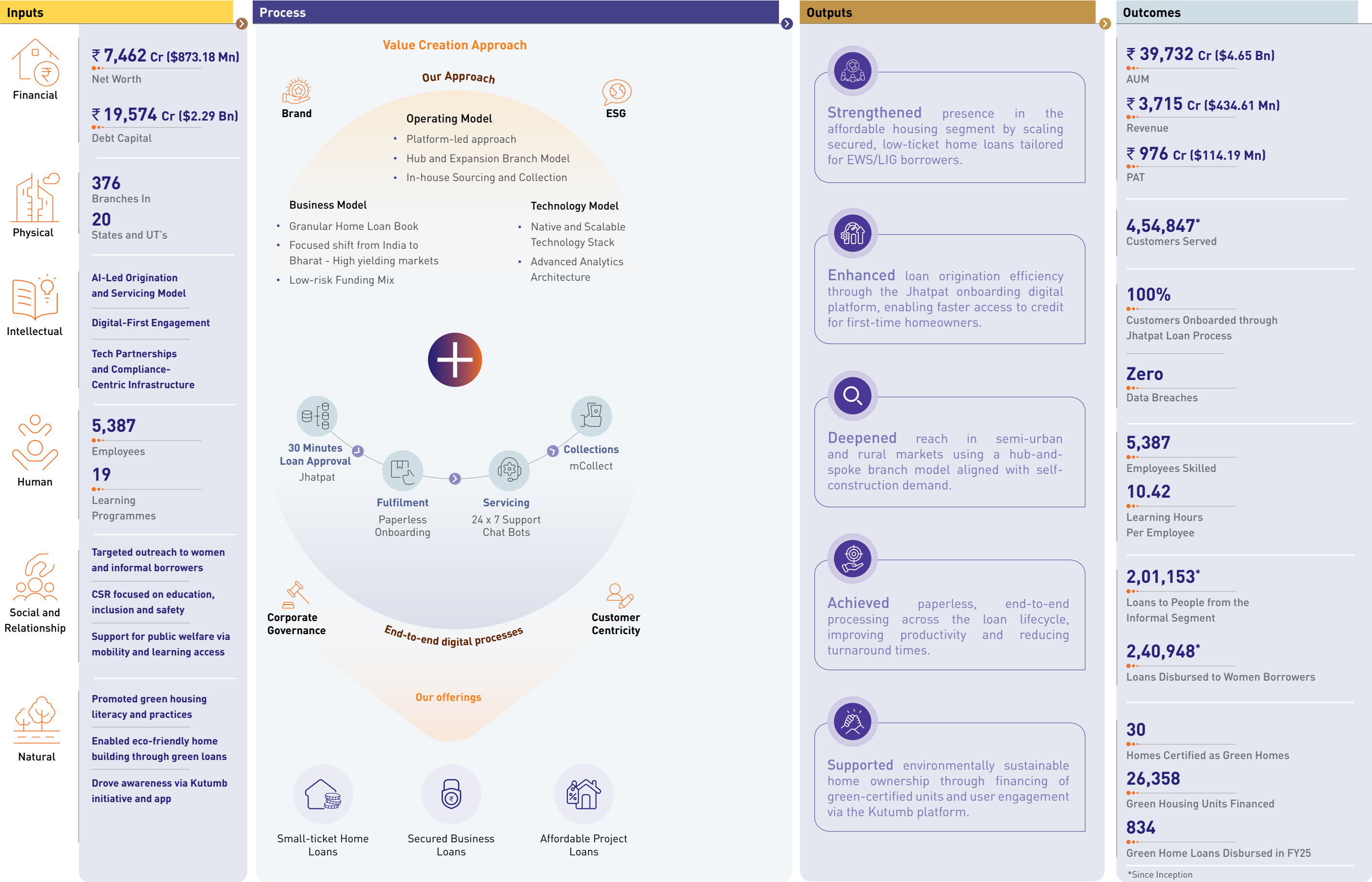
Our digital stack, including mobile onboarding, loan origination loan management, customer app ensures speed, transparency, and a seamless borrower experience from initiation to repayment.

ESG-aligned lending model

We promote green housing through partnerships with EDGE, IGBC and GRIHA, embed ESG filters into our credit processes and actively track sustainability metrics across our loan portfolio.



Business Model



Outputs

Strengthened presence in the affordable housing segment by scaling secured, low-ticket home loans tailored for EWS/LIG borrowers.

Enhanced loan origination efficiency through the Jhatpat onboarding digital platform, enabling faster access to credit for first-time homeowners.

Deepened reach in semi-urban and rural markets using a hub-and-spoke branch model aligned with self-construction demand.

Achieved paperless, end-to-end processing across the loan lifecycle, improving productivity and reducing turnaround times.

Supported environmentally sustainable home ownership through financing of green-certified units and user engagement via the Kutumb platform.

Outcomes

₹ 39,732 Cr (\$4.65 Bn)
AUM

₹ 3,715 Cr (\$434.61 Mn)
Revenue

₹ 976 Cr (\$114.19 Mn)
PAT

4,54,847*
Customers Served

100%
Customers Onboarded through Jhatpat Loan Process

Zero
Data Breaches

5,387
Employees Skilled

10.42
Learning Hours Per Employee

2,01,153*
Loans to People from the Informal Segment

2,40,948*
Loans Disbursed to Women Borrowers

30
Homes Certified as Green Homes

26,358
Green Housing Units Financed

834
Green Home Loans Disbursed in FY25

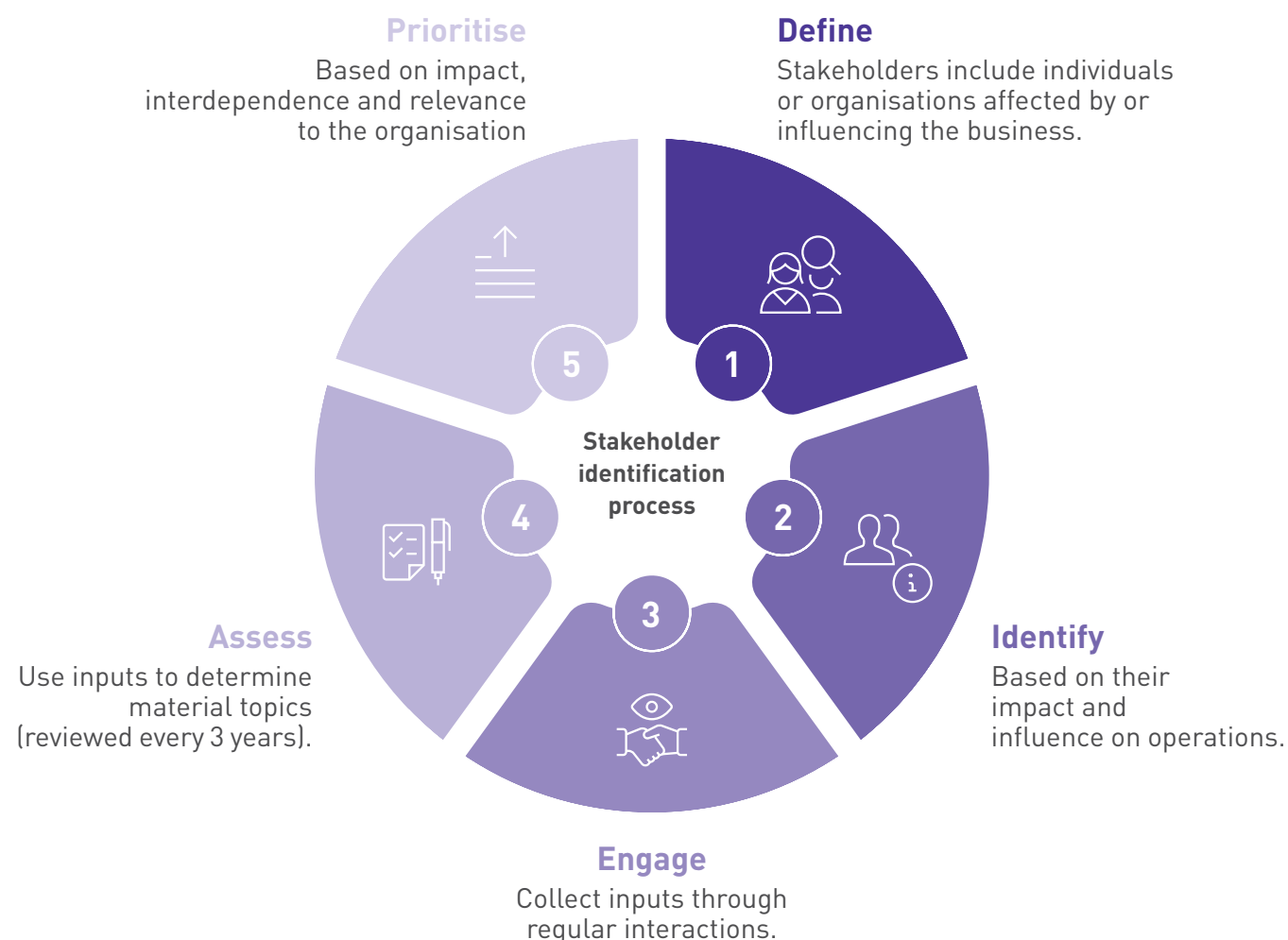
*Since Inception



Stakeholder Engagement¹

Engaging Voices that Matter

We engage with a diverse set of stakeholders who are connected to various facets of our business. These include our customers, employees, investors, regulators, rating agencies, lenders, community organisations and industry associations. We maintain regular communication with each group through defined channels to understand their expectations and respond effectively. Their insights inform our decision-making, particularly in areas of financial inclusion, governance and sustainability.



Engagement Framework

Stakeholder	Importance	Engagement Channels and Frequency	Capitals Impacted	Material Topic Impacted
 Communities / NGOs	Enabling inclusive growth and socio-economic uplift in underserved geographies	CSR partnerships, on-ground activations, digital outreach; periodic engagement		Climate Change & GHG Emissions Responsible Lending & Debt Prevention Financial Inclusion & Literacy
 Investors / Shareholders	Ensuring business viability, risk-adjusted returns and transparency	Quarterly results, investor calls, AGM, disclosures via exchanges		Climate Change & GHG Emissions Responsible Lending & Debt Prevention Economic Performance Transparency & Governance Anti-corruption
 Regulators/Government	Ensuring compliance and alignment with policy frameworks	Statutory filings, direct engagement, audits, participation in regulatory consultations		Climate Change & GHG Emissions Energy Use Management Fair Customer Advice & Transparency Transparency & Governance Anti-corruption
 Customers / Clients	Serving diverse housing finance needs, especially low-income groups	Multichannel support (app, helpline, in-person), grievance redressal, periodic surveys		Non-discrimination Fair Customer Advice & Transparency Responsible Lending & Debt Prevention Customer Privacy & Data Security Customer Management Digitisation Financial Inclusion & Literacy
 Employees	Key enablers of service delivery, innovation and business growth	Continuous feedback, periodic reviews, learning platforms, diversity forums		Non-discrimination Energy Use Management Diversity & Equal Opportunity Digitisation
 Developers	Partners in advancing sustainable housing and ESG practices	Developer onboarding, ESG handholding programmes, technical support, Kutumb app		Climate Change & GHG Emissions Energy Use Management Transparency & Governance
 Industry Peers	Promoting collaborative progress and policy influence	Industry forums, partnerships, Project based collaboration		Economic Performance
 Media & Analysts	Shaping external perception and ensuring transparency	Press releases, ESG updates, analyst briefings, on-demand interactions		Transparency & Governance

¹ (GRI 2-29a)



Materiality Assessment

Identifying Priorities most Relevant to Us

In FY2022-23, we conducted a comprehensive materiality assessment to identify the most relevant environmental, social and governance (ESG) topics aligned with our business context and stakeholder expectations. Designed with a multi-year horizon, the assessment defines our ESG priorities. Our findings remain relevant and valid, providing strategic direction on key sustainability issues during the current reporting period.

The evaluation was conducted using a five-step model



Material Topic	Brief Description	Stakeholders	Impacted Capital	GRI/SASB Reference	Linked SDGs
Climate Change & GHG Emissions	Emissions from business operations (electricity, fuels) impacting climate.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 305	
Energy Use Management	Efficient energy use and transition to renewables across operations.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 302	

Stakeholders

Regulators Communities Investors Employees Customers Shareholders Government Bodies

Material Topic	Brief Description	Stakeholders	Impacted Capital	GRI/SASB Reference	Linked SDGs
Non-discrimination	Equal treatment regardless of identity or background across stakeholder groups.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 403	
Fair Customer Advice and Transparency	Clear and accurate financial guidance to reduce customer risks.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		SASB (Finance)	
Responsible Lending and Debt Prevention	Promoting lending practices that minimise financial stress and credit risk.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		SASB (Finance)	
Customer Privacy and Data Security	Ensuring secure handling of personal financial data.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		SASB (Finance) GRI 418	
Diversity and Equal Opportunity	Promoting workforce diversity across roles and hierarchies.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 405	
Economic Performance	Revenue, EBITDA and financial value creation for long-term viability.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 201	
Customer Management	Enhancing customer experience, feedback resolution and satisfaction.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		Non GRI	
Digitisation	Leveraging technology for efficient service delivery and financial access.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		Non GRI	
Financial Inclusion and Literacy	Expanding access to housing finance and building financial capability.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 406	
Transparency and Governance	Maintaining board-level accountability and governance integrity.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 2-3	
Anti-corruption	Preventing misconduct through ethical practices and regulatory compliance.	Regulators, Communities, Investors, Employees, Customers, Shareholders, Government Bodies		GRI 205	

ESG Strategy

Crafting a Responsible and Future-Focused ESG Strategy

We are conscious about the perils of environmental degradation and climate change and are mindful of our environmental responsibility. We are proactively implementing various initiatives such as promoting green, affordable housing and supporting the development of a more sustainable construction ecosystem. Our digital platforms reinforce our position as a forward-thinking housing finance partner, offering value to both consumers and institutional stakeholders.



Green housing — our core commitment

At IIFL Home Finance, our ESG strategy is built around a central belief: that sustainable housing is a critical necessity to pave the way for inclusive growth and climate resilience. Our aspiration is to lead in India's green housing ecosystem — not just through lending, but by embedding sustainability across the housing value chain.

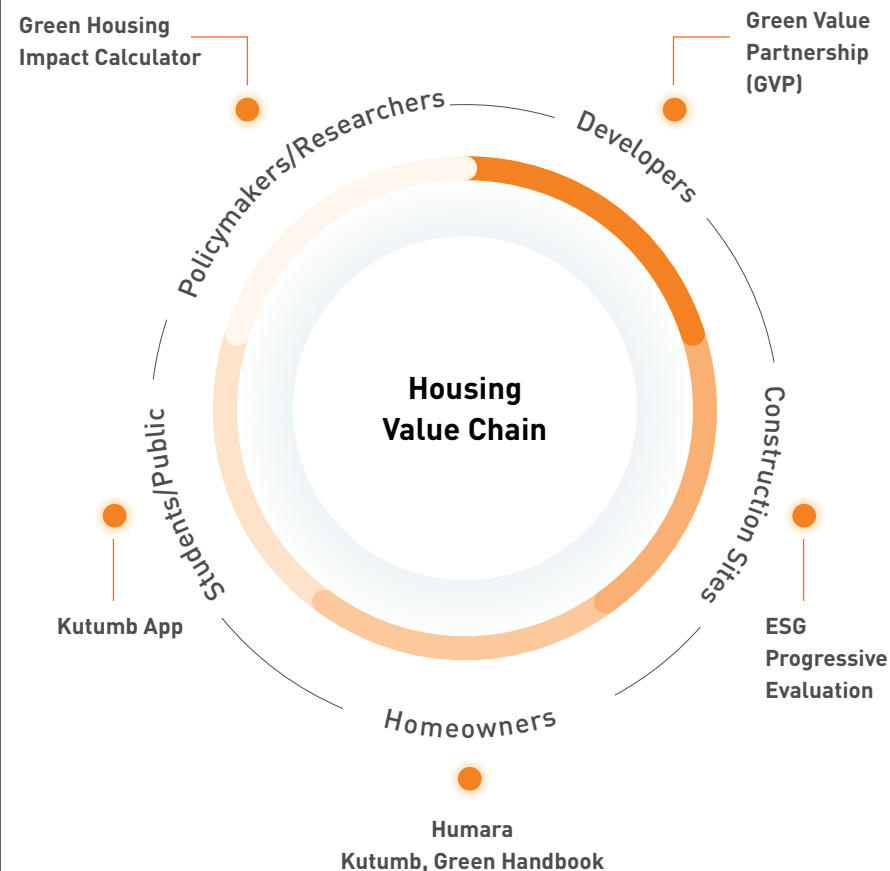
Under the oversight of the Board of Directors and supported by dedicated policies, our approach aligns environmental impact, social inclusion and governance quality into a unified sustainability agenda. This includes:

- Promoting certified green construction
- Enabling informed and empowered self-construction
- Raising ESG performance across sites and stakeholders
- Leveraging technology and data for measurable impact

We are aligned with the principles of both the Indian Green Building Council (IGBC) and Green Rating for Integrated Habitat Assessment (GRIHA) and have built systems that offset the construction industry's emissions through a better design framework, materials and delivery models.

A value chain approach to green housing

We have designed distinct programmes, tools and partnerships to **engage each stakeholder across the housing lifecycle** — from project developers and site engineers to homeowners, students and policymakers.



For Developers

Green Value Partnership (GVP)

From blueprint to project handover, we assist affordable housing developers in achieving IGBC/ GRIHA green certifications.

39

Projects Pre-Certified

26,358

Green Housing Units Financed

24,317 MWh

Energy Saved

1,404 ML

Water Saved

6

Projects Fully Certified

22,371

tCO₂e Avoided Annually



For Construction Sites and Workers

ESG Progressive Evaluation

A recurring site-level ESG audit framework focused on safety, sustainability and inclusion at the construction stage.

9

Projects Assessed

27%

Point Increase in Average ESG Compliance

6

Sites now Exceeding 75% Compliance Threshold





For Self-Constructors and Low-Income Homeowners

Humara Kutumb

This initiative is focused on promoting green and affordable housing in India. As a part of this initiative, we deliver workshops and demo homes that introduce low-cost, climate-resilient building techniques.

Certified

30

Homes
Accommodating 139
Individuals

Onboarded

250+

Homeowners across
5 States

FY26 Target

500

Certified Homes



For Students, Homeowners, Masons, Developers, Policy Enablers & Sustainability Enthusiasts

Kutumb App

A mobile platform hosting courses, tools, events and expert networks to democratise sustainable construction knowhow.

Launched

across Tier-2 and
Tier-3 Cities



For Policymakers and Ecosystem Enablers

Green Housing Impact Calculator (In collaboration with IIT Bombay)

We are building a tool to calculate emission, energy and water savings for typical low-rise homes — helping drive data-backed policy, design and financing for affordable green housing.

Tool under development for future deployment through the Kutumb App and field partners.



Building Homes for Tomorrow Green Handbook Volume II

A multilingual resource guiding self-builders on passive architecture, local materials and resource efficiency. The Green Handbook Volume 2 serves as a comprehensive guide to advancing sustainable, affordable and self-built housing in India. Developed by IIFL Home Finance Ltd. in collaboration with Ashok B. Lall Architects and IIT Bombay, the handbook addresses the growing need for climate-responsive construction practices, especially among economically weaker and informal segments. It builds on the foundation laid by the first volume, offering practical strategies, policy insights and technical frameworks tailored to India's diverse climatic zones



Scan the QR code to
access the full guide

Purpose and Scope

- Aimed at promoting green, affordable and self-built housing across India.
- Developed in collaboration with Ashok B. Lall Architects and IIT Bombay.
- Builds upon Volume 1, focusing on climate-responsive and community-driven design

Distributed in

5

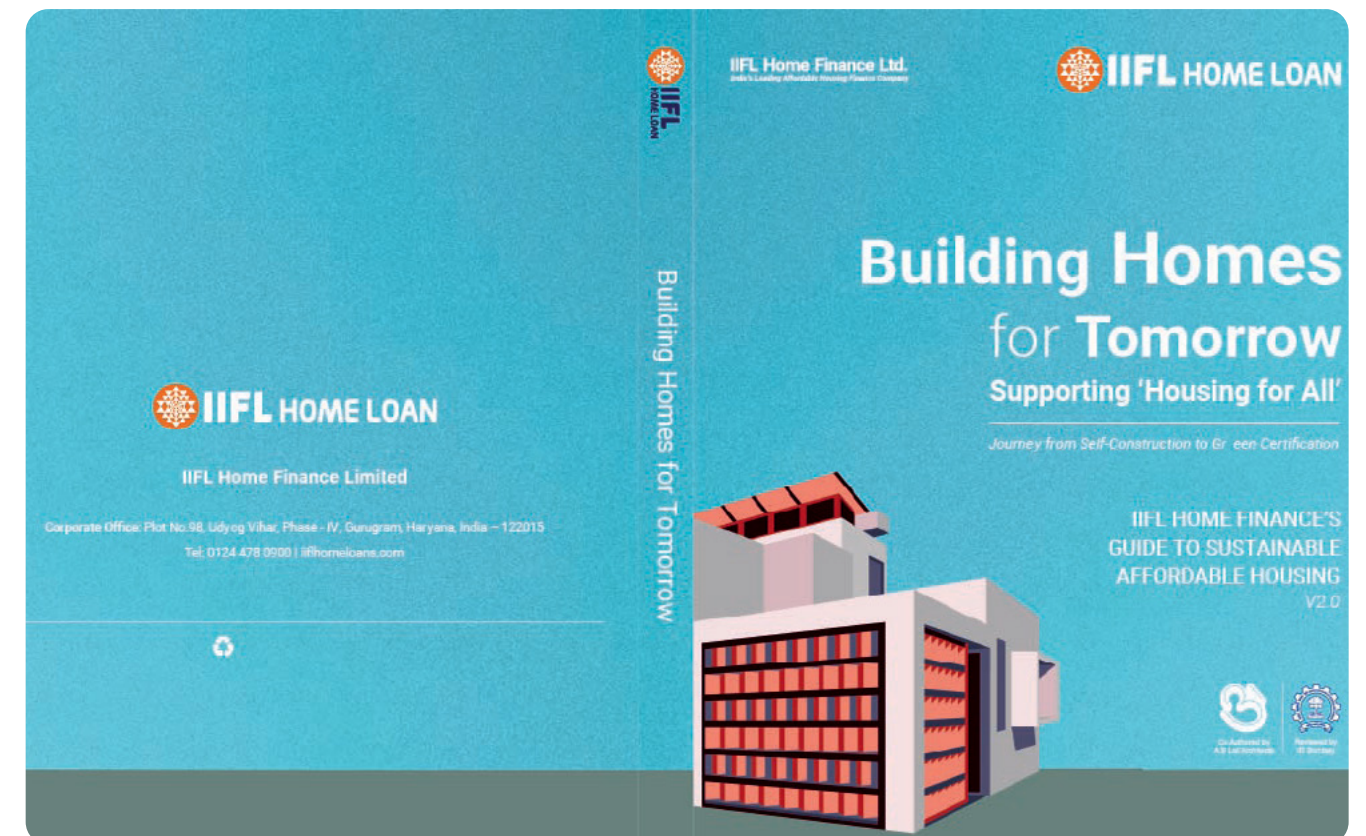
Languages

5

Case Studies

5

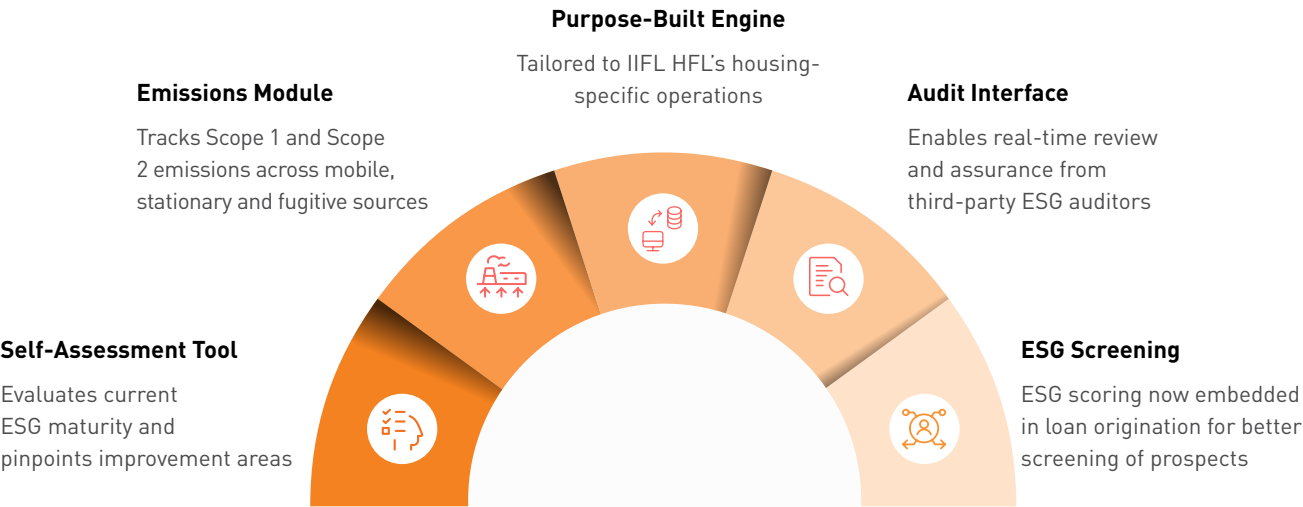
Modules





Tech-driven ESG governance

To strengthen transparency, benchmarking and performance tracking, we have integrated ESG software, a multi-role, multi-location sustainability management software.



Recognition & Accountability

S&P Global Corporate Sustainability Assessment (CSA)

We scored **32** out of 100 in the 2024 CSA — well above the industry average of 27.

The CSA evaluates environmental, social and governance practices across key impact areas, including climate strategy, privacy, transparency and employee well-being. This performance demonstrates our commitment to a future-ready, responsible business.



Development Finance with Impact

Our climate-aligned lending is backed by international financial institutions, whose concessional capital enables us to lend at concessional rates and expand access to underserved customers — especially women and low-income borrowers.

Institution	Facility	Focus Area	Purpose
 IFC International Finance Corporation WORLD BANK GROUP	\$100Mn (₹ 855 Cr) Loan	Affordable housing for EWS and LIG borrowers	To design affordable, tech-enabled loan solutions for EWS and LIG borrowers while expanding reach across underserved markets.
 DFC	\$50Mn (₹ 427 Cr) Loan	Affordable green housing with a focus on women	To enhance financial inclusion by offering tailored, accessible housing finance solutions for underserved low-income communities.
 ADB ASIAN DEVELOPMENT BANK	\$68Mn (₹ 581 Cr) Loan \$1Mn (₹ 8.5 Cr) Technical Assistance	80% to women borrowers	To improve women's access to green housing by expanding affordable, sustainable finance options and supporting eco-friendly housing development.

Summing Up

Every aspect of our operation is deeply rooted in our ESG strategy. Through policy alignment, financial inclusion, grassroots education and technology integration, we are helping build a housing ecosystem that is inclusive, resilient and eco-conscious.





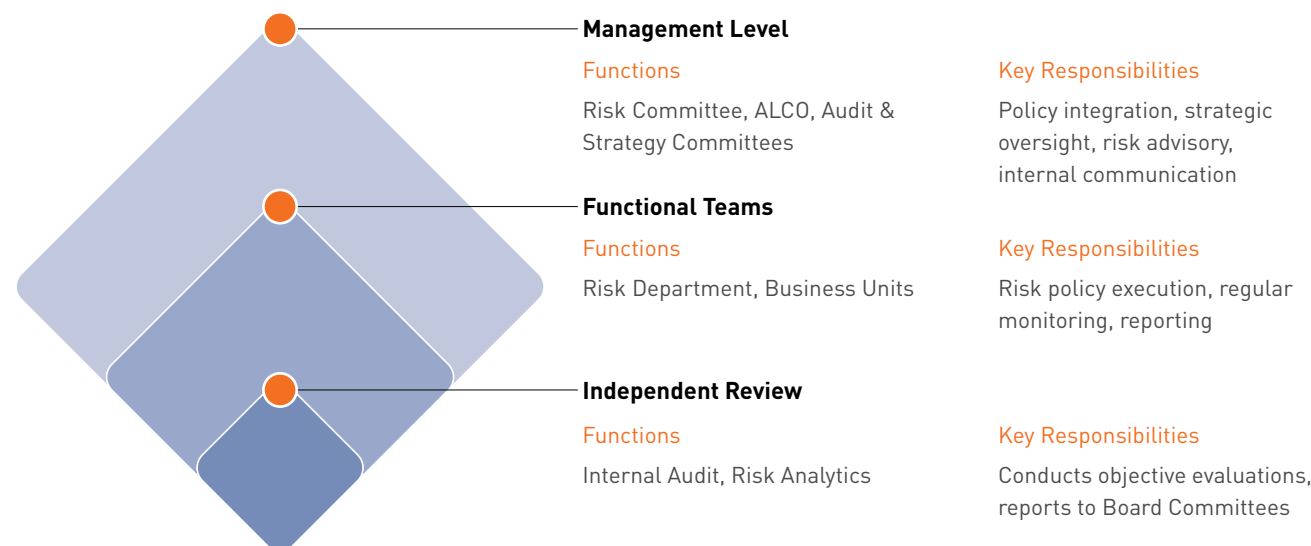
Risk Management

Proactive Risk Management for Stronger Decisions

We believe that understanding risk management across all levels of our organisation helps us make informed decisions around balancing risk and return, allocating capital and setting product prices. It also allows us to stay focused on addressing risks early by making sure our operations align with the risk guidelines we have set.

Our risk team works closely with the Company's Risk Management Committee and senior leadership to shape and apply risk assurance practices throughout the business.

Governance Structure



Enterprise Risk Management Framework (ERMF)

The Enterprise Risk Management Framework (ERMF) provides a structured approach to identifying, assessing, managing and monitoring risks across the organization. It is designed to maximize risk-adjusted returns while ensuring operations remain within the defined Risk Appetite (RA).

The ERMF is supported by a suite of risk-specific frameworks, policies and standards, which are aligned with the Company's Principal Risk Types. It is formally reviewed and approved by the Board of Directors on an annual basis to ensure continued relevance and effectiveness.

The risk management process is anchored in the Three Lines of Defense

model, which delineates clear roles and responsibilities across operational management, risk oversight functions and internal audit.

The Company fosters a strong risk culture by embedding risk awareness, ownership and accountability across all levels of the organization, reinforcing prudent decision-making and ethical conduct.

The Company's strategic risk management approach encompasses:

Risk Identification: Proactive detection of existing and emerging risks.

Risk Taxonomy: Standardized classification of risk types for consistency and clarity.

Risk Appetite: Defined thresholds for risk-taking aligned to strategic objectives.

Stress Testing: Assessment of financial and operational resilience under adverse scenarios.

Control Effectiveness Reviews: Evaluation of design and performance of key risk controls.

Together, these elements ensure a comprehensive and forward-looking approach to enterprise risk, enabling informed decision-making and sustainable growth.

Key risk categories

Risk and Material Topic Linkages – FY2024-25

Risk Category	Description	Mitigation Strategy
Credit Risk	Risks arising from the probable borrower defaults.	The Company has a strong credit risk framework strengthened by defined policies and procedures. It utilises advanced analytics and machine learning tools for real-time borrower assessment. An independent internal audit team ensures policy compliance. Stress testing and sensitivity analyses are conducted to identify and monitor accounts at risk.
Liquidity Risk	Risk associated with insufficient liquidity to meet short-term obligations or support growth.	The Company operates under a rigorous Liquidity Risk Management framework. The Asset and Liability Management (ALM) Committee monitors cash flows and ensures availability of funds at optimal cost. The ALM system is adaptive to shifting market conditions and business requirements.
Market Risk	Risk arising out of adverse movements in interest rates, macroeconomic indicators.	The Company mitigates market risk by actively adjusting its pricing, funding mix and product structure based on market trends. It also employs strong model governance with validation, back-testing and recalibration to manage model risk effectively.
Operational & Technology Risk	Risk arising from failed internal processes, people, systems, or external events.	The Company has implemented strong internal controls and clear role definitions to minimise operational failures. Comprehensive protocols for access, authorisation and reconciliation are in place. Credit operations are largely digitised to reduce manual errors and enhance process integrity.
Information and Cyber Security Risk	Risk associated with cyber-security threats, data breaches, or IT infrastructure failures.	The IT Strategy Committee oversees alignment between business and IT objectives. The Company routinely updates its systems to mitigate security threats and ensure compliance with IT infrastructure standards.
Regulatory and Financial Crime Compliance Risk	Risk of non-compliance or adverse changes in the regulatory environment.	The Company diligently monitors regulatory changes and updates its internal systems accordingly. It ensures quick adaptation to new directives to maintain compliance and operational continuity.
Reputational and Sustainability Risk	Risk of damage to brand value and stakeholder trust due to negative public perception, ethical lapses	The Company addresses reputational risk through structured grievance redressal, media monitoring and proactive legal management. It also embeds ESG principles in operations and maintains strong corporate governance to uphold trust and transparency.
Strategy Risk	Risk arising from flawed decisions, poor execution, or external disruptions affecting long-term goals	The Company mitigates strategic risk by integrating risk assessments into its Annual Operating Plan and conducting regular board-level reviews and scenario analyses. It also invests in talent, data governance and technology while managing key projects through structured programme oversight and risk tracking.



Our Digital and Technological Prowess

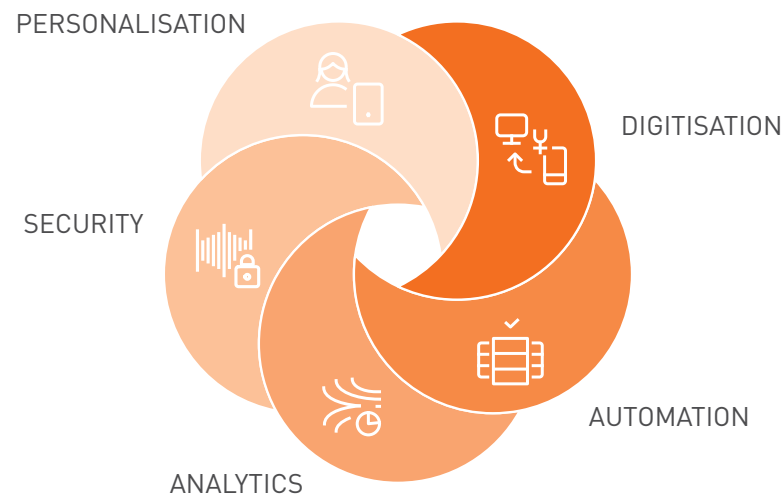
Innovation at Our Core

The core principle of our Digital transformation strategy is to deploy automated decision business rule engines from credit to sales and, eventually, directly to our customers. This enhances productivity, boosts credit quality and experience while empowering both customers and frontline teams.

Digital innovation continues to be a key driver of IIFL Home Finance's growth and inclusivity strategy. In FY2024-25, we advanced our digital transformation efforts to enhance customer experience, streamline internal processes and strengthen data security. Our focus remained on using technology to make housing finance more accessible, intuitive and efficient—particularly for underserved segments.

We invested in AI, automation and analytics to improve customer engagement, accelerate credit decisions and increase transparency—while ensuring full compliance with data protection norms. These enhancements helped us deliver seamless and scalable service

Digital Transformation Framework



Customer Onboarding

100% digital loan initiation through Jhatpat Loans.

Credit Assessment

AI-driven scorecards and behavioural analytics for faster, smarter underwriting.

Customer Engagement

Powered bots and personalised videos for enhanced post-disbursal support.

Collections & Support

AI chatbots and voice analytics to improve recovery and service quality.

Internal Efficiency

Automation and real-time dashboards for smarter operations.

Cybersecurity

Zero Trust architecture and DLP systems aligned with RBI and NHB ISO 27001 standards.

Inclusivity

Voice-first tools and multilingual chatbots to serve diverse customer bases.

Key Digital Initiatives



Customer Reach and Engagement

From the perspective of reach, IIFL Home Finance has partnered with Common Service Centre run by Government of India for lead generation. We have also introduced a portion of Jhatpat app to the customer for DIY lead creation, empowered with credit decisioning business rule engine – Providing the customer with a first level decision within 5 minutes.

Predictive analytics were used to identify recurring service challenges, enabling timely backend updates and more transparent communication. We also refined the loan application interface and improved performance across platforms to deliver a seamless customer experience.



Intelligent Credit Assessment

To improve underwriting precision, we implemented **AI-based credit scorecards** that assess borrower profiles using data, behaviour and risk trends. This ensured consistent decision-making and significantly reduced turnaround times.



Inclusive and Accessible Interfaces

Recognising that digital literacy varies widely across our customer base—especially in **semi-urban and rural areas**—we built **simplified and inclusive user interfaces**. **Multilingual whatsapp chatbot** has enabled ongoing engagement in customers' preferred languages.



Internal Process Automation and Data-Driven Operations

We enhanced internal efficiency through greater **process automation** and embedded **real-time analytics** across key verticals such as risk, service and collections. These upgrades have enabled better monitoring, faster decisions and improved operational visibility.



Cybersecurity and Data Protection

With increased digital adoption, cybersecurity remained a core priority. We upgraded our systems in line with RBI and NHB regulations, ISO 27001 and the Digital Personal Data Protection Act.

Key measures included:

- **Zero Trust Network Architecture (ZTNA)**
Replacing VPNs with identity-based access.
- **Data Loss Prevention (DLP)**
Real-time protection against data leakage.
- **Cloud-Based Threat Detection**
Enhanced risk monitoring and response.
- **Ongoing Monitoring and Audits**
Ensuring system integrity and compliance.

Impact and Adoption

Our digital systems handled the bulk of borrower interactions in FY2024-25. **100% of retail loan applications** were processed via digital channels, underlining wide-scale adoption.

Our flagship platform, iLOS (Instant Loan Origination System), continues to demonstrate its scalability and effectiveness in enabling frictionless credit access.

As we move forward, our digital journey will focus on scaling AI-powered tools, deepening personalisation and further enhancing cybersecurity. At IIFL Home Finance, we believe that innovation should not only improve efficiency—but also empower people.





Our Marketing Initiatives

Conversations that Matter

We continued shaping our brand this year around trust, simplicity and regional relevance. Our campaigns aimed to make financial decisions easier to understand and connect more closely with home buyers, especially in semi-urban and rural communities.

Two campaigns stood out in our communication this year



#SaathHongeKamyaab

introduced Bharosa Bhau, a relatable character who shared financial insights using everyday humour. The campaign focused on clearing up common doubts around home loans while helping people feel more at ease with the subject.

#BharoseKiKeemat

featuring actor Abhishek Banerjee, looked at how trust influences real-life financial choices. We used the 'Bharosa Meter' as a tool within the story to show how trust can guide action, not just feeling.

These stories were shared across TV, digital and social channels and supported on the ground through events like property expos, festivals and local activations across more than 400 locations.



Digital engagement and social media strategy

Social media helped us keep the conversation going. We created content in local languages, encouraged two-way interactions and shaped campaigns to be more accessible and relevant on platforms like Facebook, Instagram and YouTube.

We also used these channels to answer queries, correct misunderstandings about loans and grow a space for open feedback and learning.



Event activations and regional outreach

Alongside digital efforts, we participated in offline events tied to local festivals, Republic Day, property shows and marathons. This helped us connect in person and strengthen our presence in communities.

During PMAY-U 2.0, we focused on spreading information, both online and offline, about eligibility and affordability, helping more people understand their options with subsidy-linked loans.

Recognition

Our marketing work received recognition from industry bodies:



VIDEA Awards for video content under digital experience



Best Use Of Celebrity Endorsement for Bharose Ki Keemat Campaign at ACEF Global Customer Engagement Awards 2025



ASSOCHAM for direct-to-customer campaign execution



Human Resources

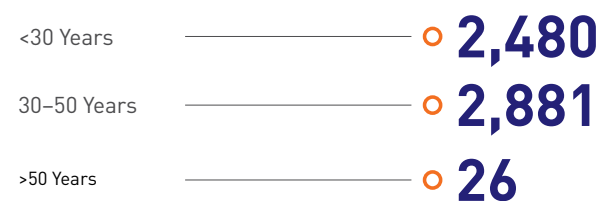
Core Drivers of Our Business

Our people are the core drivers of business continuity and stakeholder value. In FY2024-25, we continued building a workforce that is engaged, skilled and aligned with our long-term goals. Through focused initiatives across hiring, capability development, inclusion and employee experience, we aimed to create an environment where individuals can contribute meaningfully while growing in their roles.

Workforce Demographics

By Age Group (FY2024-25)

Headcount



By Region (FY2024-25)

Headcount



Talent acquisition

In a hiring market shaped by rapid shifts in talent expectations and business needs, we have taken a selective and thoughtful approach to recruitment. Our hiring is focused on roles that align with our future growth, with an emphasis on adaptability and domain relevance. Beyond filling positions, we aim to offer long-term career paths, underpinned by structured learning and a collaborative environment.

We continue to position ourselves as a preferred employer by:

- Embedding performance-based expectations across teams
- Leveraging digital tools for streamlined recruitment and onboarding
- Offering competitive compensation and flexible benefits
- Supporting continuous learning and skill enhancement.

Digitally enabled HR practices

Our HR function has transitioned to a fully digital framework. This paperless, system-led setup allows for real-time decision-making, accurate tracking and scalable processes. It reduces operational lag and supports a data-informed approach to managing people-related functions.

Key digital integrations include

- Digital onboarding and applicant tracking systems
- Performance review tools with analytics capabilities
- AI-based sentiment tracking and feedback collection
- Online grievance redressal platforms
- Learning Management System (LMS) with measurable outcomes

These platforms allow us to maintain transparency, responsiveness and operational consistency across the employee lifecycle.

Performance and talent management

Employee performance is assessed through our Performance Appraisal and Rewards System, which evaluates contributions using a four-tier framework: Fliers, Runners, Learners and Walkers. This model helps set clear expectations and provides structured feedback.

The review process supports

- Goal-setting aligned with business plans
- Ongoing feedback and support
- Differentiation in rewards and recognition

100%

Employees Covered Under Performance Reviews



Learning and development

We continue to invest in employee capability through structured training focused on ESG, customer service, digital proficiency and leadership readiness. Training delivery combines virtual and in-person formats and is designed to help employees stay prepared for changing job demands.

Training is not just viewed as a compliance requirement but as an enabler for effective decision-making, accountability and career growth.

10.42 hours

Average Training Hours per Employee

Focus areas

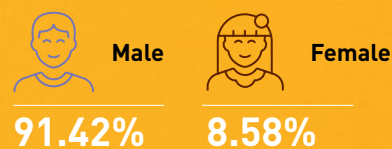
Digital tools, ESG, Customer Engagement, Mid-Level Leadership Development

Diversity and inclusion

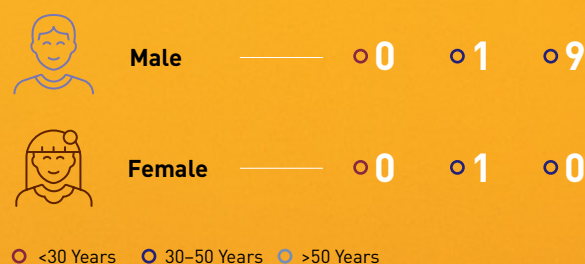
Diversity, equity and inclusion (DEI) are key considerations in how we build teams and shape policies. Our efforts focus on creating access, encouraging participation and building awareness across the organisation. Hiring, training and development processes are designed to support a wide talent base across age, gender, background and region.

As part of our focus on gender equity, we continue to invest in structured learning and leadership development programmes for women at the mid-management level, creating pathways for greater representation in decision-making roles and strengthening the future leadership pipeline.

Employee distribution by gender (FY2024-25)



Age and gender breakdown in governance roles



Employee benefits and well-being

Our benefits framework supports physical, financial and emotional well-being. In addition to statutory coverage, we offer health insurance, wellness support and financial aid for unexpected needs. Flexibility in work arrangements helps employees manage responsibilities both at work and at home.

To support fairness and openness, our grievance redressal mechanisms provide safe and accessible channels for employees to raise concerns. In addition, regular employee connect sessions help management stay informed about team dynamics and morale.

We offer

- Health and medical coverage
- Performance-linked compensation models
- Flexible punch-in hours and attendance regularisation
- Support for hybrid and remote work

Parental leave

We offer paid parental leave for both male and female employees. Men receive five days and women can avail up to 182 days, depending on eligibility. Significantly, our return-to-work rate for both groups remained over 90% this year, owing to the trust employees place in us during personal life transitions.

Parental Leave Data (FY2024-25)

Metric	Male	Female
Employees Entitled	4,925	462
Employees Who Availed Leave	74	19
Return-to- Work Rate	100%	90%



Culture and engagement

We prioritise fairness, accountability, and approachability. Employees are encouraged to share suggestions and feedback at any time through open channels, enabling leadership to gauge sentiment and address concerns proactively. Regular engagement initiatives—from regional cultural celebrations to open forums—foster inclusion and strengthen team bonds. These efforts go beyond appearances, aiming to ensure that every employee feels heard, valued, and actively involved in shaping the organisation's culture.

Employee Sentiment Metrics (FY2024-25):

Indicator	Score
Engagement Score	86
Mood Score	4.3



Note: The Engagement Score (20-100) is a weighted average of the Mood and Driver Scores from completed chats.

The Mood Score (1-5) captures how employees feel about their tenure, collected through emoji-based responses at the start of each interaction. The Driver Score reflects employee perceptions of key engagement factors such as manager support, recognition, growth, and work-life balance.

Sustainability

Smarter Living through Sustainable Housing

As a housing finance Company that works closely with underserved communities, we understand both the environmental challenges and the opportunities that come with enabling access to affordable housing. In FY2024-25, we continued to build on this understanding through focused efforts to reduce environmental impact, promote green building and improve internal efficiency.

Expanding access to green housing

One of our priorities this year was growing our green housing portfolio. We supported more than **834 green housing loans**, with a focus on making these accessible to low-income families.



Over **305 loans** went to customers from the **Economically Weaker Sections (EWS)** and **Low-Income Groups (LIG)**

Around **270 loans** were disbursed to **women borrowers**

Each home financed under this category meets the standards of certification bodies such as IGBC, GRIHA, or EDGE. These certifications cover energy efficiency, water conservation and climate resilience.

Green certification is now a part of how we evaluate housing projects in our lending process. By doing this, we aim to promote healthier homes that cost less to maintain and are better prepared for environmental stress over time.

Working together through partnerships

To scale these efforts, we continue to collaborate with strategic partners such as the International Finance Corporation (IFC) and the Asian Development Bank (ADB). The IFC's \$100 million investment supports our efforts to finance women borrowers and promote green housing development. In addition to capital, IFC provides technical expertise that helps us integrate global green building standards like EDGE more effectively into our lending practices. Similarly, our partnership with ADB enables us to expand access to housing finance for women borrowers and underserved regions, particularly in lagged states. ADB also offers technical support to strengthen our approach to inclusive, affordable and climate-resilient housing.

Supporting self-built homes through Humara Kutumb

Self-constructed homes often fall outside of formal design systems, yet they form a large share of the housing market in many areas we serve. Our Humara Kutumb programme focuses on this segment offering practical, hands-on support to homeowners who are building their homes independently.

In FY2024-25, we identified more than **3,860 self-built homes across five states.**

30 Homes

Were Certified this Year, Reaching

250 +

Homeowners gave Consent for Pursuing Green Certification

139 individuals

Directly

Our trained field teams, over **50 staff members**, help guide these homeowners through choices around layout, materials and certification. Many of these homes lack professional design input, so we help introduce improvements such as natural ventilation, solar integration and water-saving fixtures practical changes that reduce long-term costs and environmental impact.

Kutumb App

Kutumb is a mobile-based platform that we have developed to help make green building practices easier to understand and apply for people building their own homes. It is designed especially for self-constructing homeowners, local masons and small contractors in low-income communities.

The app breaks down complex technical information into simple, regional language content and includes interactive tools that guide users in making more sustainable choices throughout the home construction process.

Green Construction Modules

Educational content on passive design, energy and water efficiency materials, tailored for first-time homebuilders.

Handbook Integration

The Green Handbook Vol. II will be embedded within the app in six languages, enabling easy access during training sessions and self-construction in the field.

Next Phase

The next phase of Kutumb emphasizes measurable outcomes and real-time insights. An impact calculator is being developed to track results more effectively. A new feed option will enable live updates from the field, while ongoing efforts to map the sustainable materials market in India aim to support informed adoption and responsible sourcing.



Kutumb enables digitally accessible and practical learning for communities traditionally excluded from mainstream green housing education. By combining local context with technical knowledge, it helps shift sustainable construction from concept to everyday practice.



Sustainability (Contd..)

Making green choices understandable and measurable

Helping people make greener choices means simplifying complex ideas. Our Research & Innovation (R&I) team is currently developing two key tools to support this goal:



Demonstration House

A model home is being built in Vijayawada using low-carbon, local materials. It will act as a live, hands-on space to promote practical, cost-effective green construction for borrowers, builders and staff.



Impact Calculator

Currently being developed in collaboration with IIT Bombay, this digital tool is designed for self-built housing and will estimate potential energy and water savings based on home design. By translating technical data into relatable metrics such as cost savings and environmental benefits, the tool aims to support the broader housing ecosystem, including customers, housing finance companies, developers and policymakers, in making more informed and sustainable decisions.

Improving efficiency across our operations

We have digitised key workflows, from loan applications to HR processes, significantly reducing physical paperwork and our overall environmental footprint.

At the operational level, we have installed solar power systems at our Head Office and implemented energy-efficient infrastructure across our branch network to reinforce our commitment to sustainable practices.

Note: The reported data for environmental performance primarily covers our Head Office (HO) and HFC owned branches, and may not represent all operational locations.

Electricity, Diesel, and Water consumption data pertain to both HO and HFCs.

Waste management data pertains to HO only.

Solar energy data is available only for the HO, as solar installations are currently limited to that location.

FY2024-25 environmental performance

4,635.34 MWh

Electricity Consumption

1,432 GJ

Diesel Use

6,635 KL

Water Consumption

15,186 KG

Waste Generated

26.8 MWh

Solar Power Generated

These steps help us reduce our reliance on conventional energy sources and lower the emissions associated with our day-to-day operations.

Environmental Performance

Greening Growth. Enabling Climate-Conscious Actions.

At IIFL HFL, we continue to embed environmental responsibility into our business strategy and operations. As a leading provider of affordable housing finance, we recognize our ability—and responsibility—to enable sustainable living across the housing value chain while minimizing our own operational footprint.

Environmental Focus Areas

We target three core areas of environmental performance:

1. Energy Efficiency & Emissions Reduction

Our operations, though low-intensity compared to industrial sectors, are designed to optimize energy usage and

reduce emissions. Our Gurugram head office has adopted advanced energy-saving systems—smart HVAC, lighting automation and occupancy-based controls—forming the benchmark for similar upgrades across the branch network.

GHG Emissions Snapshot (FY 2024-25)

Parameter	Emission (tCO2e)
Scope 1 (Diesel from DG Sets)	94.83
Scope 2 (Electricity – HO & HFCs)	3,367.97
Scope2 (Shared branches)	306.08
Scope 2 (Outsourced branches)	2370.9
Total Scope 2	3,674.05
Total Scope 1 & 2	6,139.84
Scope 3 (Cat. 1 & 6)	1,652.33
Total GHG Emissions	7,792.18

Our GHG accounting follows the GHG Protocol, using globally accepted emission factors. This data-driven approach supports our reduction strategies and transition planning.

2. Water Stewardship

While our operations are not water-intensive, we remain committed to conserving water resources.

Gurugram office STP (8,000L/day) enables wastewater recycling for landscaping and cleaning.

Water-saving fixtures and aerators installed across locations.

Custom drainage filters help prevent system blockages and maintain discharge quality.

Water Performance Highlights (FY 2024-25)

Water Intensity:
2.21 m³ per employee

Total Consumption:
6635.14 m³

3. Responsible Waste Management

We strive to meet our aspirational zero-to-landfill goal by responsibly managing waste—especially e-waste and plastic.

- All e-waste is disposed through **authorized recyclers**, in line with E-Waste (Management) Rules, 2022.
- Our digital-first approach continues to reduce paper and packaging waste across locations.

Waste Metrics

Category	FY 2023-24	FY 2024-25
E-Waste (t)	3.858	1.163

4. Climate Strategy & Green Financing

We are embedding climate resilience into our business model through three pillars: mitigation, adaptation and transition finance.

- **Green Home Loans** reward eco-friendly home purchases
- **Kutumb App, Green Value** and promote sustainable practices.
- Climate risks—physical and transition— are integrated into our enterprise risk framework.

Educating builders and developers

For sustainability to take root, it needs support across the construction value chain. That is why we continue to work with developers through our Green Value Partnership (GVP) programme, helping them align projects with certification standards.

We also held technical workshops for local masons and small contractors. These sessions focused on using low-impact materials and incorporating simple, climate-friendly design features.

By building awareness at this level, we are enabling broader change supporting both top-down and grassroots adoption of sustainable practices.

The Green Handbook 2.0- Building Homes for Tomorrow

We launched Green Handbook Volume II, designed for self-constructing homeowners, contractors and small developers in Tier 2 and 3 cities. Authored by Ashok B. Lall and peer-reviewed by IIT Bombay, it offers practical guidance on climate-responsive design and green construction for low-rise housing.

The handbook will be available in English, Hindi and four regional languages. In the next phase, we will roll out workshops and digital formats to simplify and expand access to this knowledge.

- Released the second edition of Building Homes for Tomorrow (Green Handbook Volume II), a comprehensive guide to sustainable self-construction.
- Designed especially for **homeowners, contractors, and small developers in Tier 2 and 3 cities.**
- Focuses on **low-rise residential self-construction**, promoting sustainability at the grassroots level.

Authored by **Ashok B. Lall** and peer-reviewed by **IIT Bombay's Civil Engineering Department.**

Technical content validated through **building performance simulations** by Prof. Venkata Santosh Kumar and Prabhat Sharma (IIT Bombay).

Covers key themes like:

- Climate-responsive design
- Energy-efficient construction techniques
- Green certification pathways

What's Next

- The handbook will be made available in **English, Hindi and four vernacular languages** to enhance accessibility.
- Launching **workshops and community outreach** programmes in target geographies to build grassroots awareness.
- **Digital formats and simplified versions** to be rolled out for easier comprehension and wider dissemination.
- Integrated into our **Kutumb ecosystem**, enabling field-level training and adoption by stakeholders.





Digital tools that support sustainability

Going digital helps us operate more efficiently, but it also reduces emissions tied to travel, printing and manual processing.

Some examples of digital integration this year include:

- Over **90%** of hiring processes now conducted without physical paperwork
- Increased use of **eKYC**, auto-underwriting and digital documentation across customer services
- System-driven HR processes that limit internal printing and reduce administrative waste

Each of these changes supports our wider climate goals while improving turnaround times and reducing costs for both customers and internal teams.

Looking ahead

As we continue to grow, sustainability will remain a central part of our approach. Our focus for the coming years includes

- Expanding our **green loan portfolio to ₹ 5,000 Crore** over the next three years
- Increasing the number of **green-certified self-built homes** under Humara Kutumb, with a target of **500 homes by FY2026**
- Improving how we track and report sustainability metrics using **real-time ESG dashboards**

Recognition

- Excellence in ESG Leadership Awarded at the 9th Elets BFSI CXO Awards**
- 'She Creates' – Best CSR Initiative Recognised at the Indian CSR Awards**



Working for the Community

Building Resilience through Community Engagement

Our community initiatives are focused on creating real, lasting impact in the places where we live and operate. While our environmental efforts support sustainability through housing, our community programmes are about helping people grow, through better education, greater inclusion and stronger support systems.



Education and girl child literacy

What we did:

Through the **Sakhiyon Ki Baadi** initiative, we helped tribal girls in Rajasthan return to formal schooling. Many had dropped out due to seasonal migration, lack of uniforms or basic learning materials. We supported community learning centres, improved infrastructure and worked directly with parents to build awareness about girls' education.

Also, we upgraded 102 government girls' schools, fixing classrooms, installing sanitation facilities and adding solar power focused on schools with high dropout rates.



Impact highlights

9,000+ Girls Brought Back into the School System

Operating in **4** Tribal Districts

Better school attendance and classroom retention

First-time access to digital learning tools

102 Schools Made Safer and More Welcoming



Inclusive learning access

What we did:

In areas with limited access to structured classrooms, we introduced digital learning through **Sampark Smart Shaala** (TV-based content in government schools in Uttar Pradesh) and **E-Shiksha** (digital panels and teacher training across 150 schools in Rajasthan). These efforts were paired with physical learning kits for students.



Impact highlights

2,72,000+ Students Reached

25,000+ Learning Kits Distributed

150+ Schools Equipped with Digital Learning Panels

Working for the Community (Contd..)



Creating safe spaces

What we did:
For children of migrant labourers and tribal families, we set up **Chauras** (day shelters) and **Seva Kutir** centres. These centres run full-day and offer nutrition, hygiene and early learning activities, giving children a safe place to grow while their parents work.



Impact highlights

760+ Tribal Children supported across 10 Seva Kutir Centres	1370+ Children of migrant workers supported across 11 Chauras Centres
Mini-libraries, health checks and preschool prep included	Full-day programming from 9:00 AM to 5:30 PM



Disha

What we did:
We supported local authorities with safety tools like **helmets and barricades** to improve traffic enforcement and road safety in key urban zones. These were used in visibility drives and to make high-traffic areas safer for pedestrians and drivers.



Impact highlights

1,450+ Helmets Donated	650+ Barricades Delivered
Helped strengthen local road safety infrastructure	



Mobility assistance

What we did:
We organised **wheelchair distribution drives**, identifying people through local authorities including war veterans and civilians living with mobility challenges. Each handover was followed by support to ensure proper use and care.

Impact highlights

30+ Wheelchairs Distributed	Beneficiaries included retired soldiers and rural residents with mobility impairment
---------------------------------------	--



Emergency and relief support

What we did:
When floods hit **Vijayawada**, we coordinated with local authorities to distribute food, hygiene kits and temporary relief to affected families. We focused on reaching households quickly, with essentials to help them get through the crisis.

Impact highlights

650+ Families Supported During Flood Response	Relief included nutrition, sanitation and shelter kits
---	--



Governance

Rooted in Ethical Leadership and Transparent Oversight

IIFL Home Finance Limited's approach to corporate governance is rooted in our core values of Fairness, Integrity and Transparency-(FIT). We have instituted a robust governance framework led by an active and independent Board that ensures effective oversight across all business functions. The Board provides strategic guidance, upholds regulatory compliance and maintains a strong focus on risk management and ethical conduct. Through well-defined roles, structured processes and transparent decision-making, we safeguard stakeholders' interests and supporting the Company's long-term objectives.



Policies Framework and Compliance

We implemented a rigorous policy development methodology that provides comprehensive guidance across our operational spectrum. Our policy architecture is strategically crafted to address the nuanced complexities inherent in our business activities and stakeholder relationships.

We also maintain full transparency through strategic accessibility channels, ensuring all policies remain available to employees and external stakeholders via our corporate website and integrated Human Resource Management System (HRMS). This dual-platform approach facilitates seamless access to governance frameworks for all relevant parties.

Our comprehensive disclosure framework ensures organizational directives are effectively communicated and understood across all stakeholder groups. Through structured policy governance, including Board-level authorization and systematic review processes, we maintain continuous relevance and operational effectiveness of our governance documents.



Governance Body Performance Evaluation

We have instituted a formal, independent and comprehensive evaluation process to ensure the effectiveness and accountability of our governance framework. Led by the Nomination and Remuneration Committee, annual assessments are conducted for the Chairperson, Executive



Governance Body's Role in Sustainability Oversight

Sustainability is anchored in the Board's responsibility to define our purpose, guide our values and steer our ESG priorities. Our governance framework is supported by a comprehensive policy structure that promotes long-term value creation while balancing stakeholder interests. Oversight of ESG matters is exercised through a dedicated CSR & Sustainability Committee comprising Independent and Non-Executive Directors and the CEO

Regular reporting by senior executives—ensures that the Board remains informed of developments across key functions.

Directors, Non-Executive Directors and the Board including its Committees as a collective entity. The evaluation framework considers critical dimensions such as strategic input, leadership effectiveness, regulatory compliance, ethical conduct and contribution to oversight of environmental, social and economic impacts. Evaluations are tailored to each role—for instance, the Chairperson's facilitation of discussions and stakeholder alignment, Executive Directors' strategic engagement and Non-Executive Directors' independent insights and participation. The outcomes are used to strengthen governance practices, enhance Board dynamics and support continuous improvement across leadership levels.



Grievance Redressal Mechanism

We are upholding customer trust through timely and transparent grievance resolution. We provide customers with multiple channels—digital platforms, helpline support and branch visits—to register their concerns with ease. Every grievance is formally acknowledged with a reference ID and is addressed within a defined resolution timeline of 30 days.

In the event of an unsatisfactory outcome, customers have the option to escalate their complaint to the National Housing Bank. To ensure accessibility, our grievance redressal policies are available in nine regional languages across our physical and digital touchpoints. Oversight by the Stakeholders Relationship Committee and periodic Board-level reviews ensure the framework remains responsive, compliant and focused on continuous service improvement.



Board of Directors

Our prudently calibrated governance structure ensures operational independence and strategic autonomy. The Board reflects diversity in skills, gender and professional expertise—combining visionary leadership with regulatory acumen, strategic foresight and financial proficiency. Board independence is further reinforced by the absence of familial relationships among Directors and the majority presence of Non-Executive and Independent Directors, including the Chairman, which reflects our commitment to unbiased and transparent governance practices.

Board's Strategic and Oversight Responsibilities

Shapes and refines the Company's vision, mission and core values

Reviews and aligns corporate objectives and key policies periodically

Guides strategic planning and organizational structure, ensuring effective execution

Maintains accountability to shareholders and key stakeholders

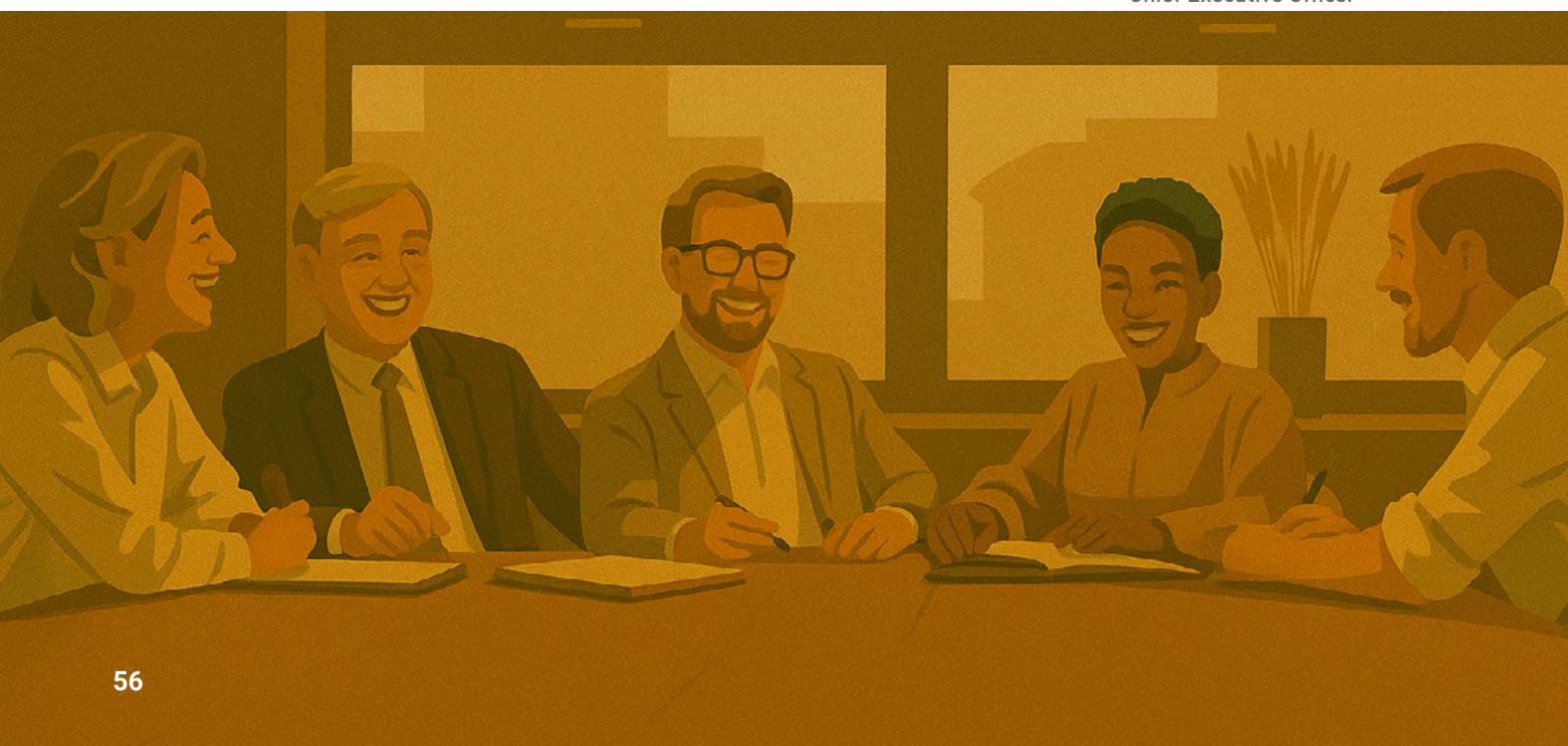
Delegates authority for establishing monitoring frameworks and evaluating internal control systems

Establishes accountability for firm management and implements robust internal controls

Know Our Board of Directors

Our Board comprises of 10 distinguished professionals

5 Independent Directors	3 Non-Executive Directors	1 Nominee Director	1 Executive Director and Chief Executive Officer
----------------------------	------------------------------	-----------------------	---



Mr. Srinivasan Sridhar
Chairman &
Non-Executive Director



Ms. Mohua Mukherjee
Independent Director



Mr. Venkataramanan Anantharaman
Independent Director



Mr. Mathew Joseph
Independent Director



Mr. Ramakrishnan Subramanian
Independent Director



Mr. Mohan Sekhar
Independent Director



Mr. Kabir Mathur
Nominee Director



Mr. Nirmal Jain
Non-Executive Director



Mr. R Venkatraman
Non-Executive Director



Mr. Monu Ratra
Executive Director &
Chief Executive Officer



Board Familiarization Programme

Our organization runs comprehensive familiarization programmes for independent directors in line with Listing Regulation 25(7) read with regulation 62. These structured initiatives offer valuable insights into the Company's operations, governance roles and industry environment. Newly appointed directors receive detailed engagement letters outlining their roles and expectations, along with key documents such as the Memorandum and Articles of Association and the Annual Reports. The Company's governance framework provides unrestricted access to important information and promotes open communication with senior leadership. To support continuous learning at in the Company, we regularly updates the directors and facilitates interactions with functional experts and business unit leaders, helping them stay informed about changing operational and strategic developments.



Management Team



Sumit Jhunjunwala
Chief Financial officer



Ajay Jaiswal
Chief Operating Officer



Pradeep Kumar Rangi
Chief Risk Officer



Lokesh Goyal
Head – Collateral Risk



Manoj Kumar
Head – Legal



Vineet Girdhar
Head – Internal Audit



Rachit Gehani
Chief Technology Officer



Richa Bhardwaj
Chief Compliance Officer



Iqbal Ahmad Farooqui
National Collection Manager



Mohit Kumar
National Credit Manager



Amit Sengar
Zonal Sales Head



Praveen Khullar
Zonal Sales Head

○ Chairperson ▲ Members

● Audit ● Nomination and Remuneration ● Risk Management ● CSR & Sustainability ● Stakeholder Relationship Committee ● Asset Liability Management ● IT Strategy ● Wilful Defaulter Review



Board Committees

Supplementing our governance structure, we have various specialised Board Committees that provide focused oversight across key areas including Audit, Nomination and Remuneration, Risk Management, Stakeholders Relationship, Asset Liabilities Management, CSR & Sustainability and IT Strategy. Each committee functions under clearly defined terms of reference and regulatory mandates, ensuring that critical matters are evaluated with expertise and presented to the Board with well-informed recommendations.

The operational framework of each committee is governed by precise terms of reference, which guide our strategic decision-making processes regarding the organization’s economic, environmental and societal impacts. We have maintained strict adherence to regulatory requirements established by the Companies Act, National Housing Bank, Reserve Bank of India and SEBI (LODR) regulations.

Board Committees				
Audit Committee	 Mr. Mathew Joseph	Members	Mr. Kabir Mathur Mr. Venkataramanan Anantharaman	Mr. Ramakrishnan Subramanian
Nomination and Remuneration Committee	 Mr. Venkataramanan Anantharaman	Members	Mr. Mathew Joseph Ms. Mohua Mukherjee	Mr. Kabir Mathur
Risk Management Committee	 Mr. Mathew Joseph	Members	Mr. R Venkatraman Mr. Mohan Sekhar	Mr. Monu Ratra Mr. Srinivasan Sridhar Mr. Ramakrishnan Subramanian
CSR & Sustainability Committee	 Ms. Mohua Mukherjee	Members	Mr. Mohan Sekhar Mr. Mathew Joseph	Mr. R Venkatraman Mr. Monu Ratra
Stakeholder Relationship Committee	 Ms. Mohua Mukherjee	Members	Mr. Mohan Sekhar	Mr. R Venkatraman Mr. Monu Ratra
Asset Liability Management Committee	 Mr. Monu Ratra	Members	Ms. Mohua Mukherjee Mr. R Venkatraman Mr. Mohit Kumar	Mr. Kabir Mathur Mr. Pradeep Kumar Rangi Mr. Sumit Jhunjhunwala Mr. Srinivasan Sridhar
IT Strategy Committee	 Mr. Mohan Sekhar	Members	Mr. Ramakrishnan Subramanian Mr. Kabir Mathur	Mr. Srinivasan Sridhar Mr. Monu Ratra
Wilful defaulter Review	 Mr. Monu Ratra	Members	Mr. Mathew Joseph Mr. Sumit Jhunjhunwala	Mr. Ramakrishnan Subramanian Mr. Pradeep Kumar Rangi

Chairperson Members

Audit Nomination and Remuneration Risk Management CSR & Sustainability Stakeholder Relationship Committee Asset Liability Management IT Strategy Wilful Defaulter Review

Statutory Reports





Directors' Report - FY 2024-25

Dear Members,

It is our immense pleasure to present the Nineteenth (19th) Annual Report of your Company for the financial year ended March 31, 2025. This report provides an overview of the business performance and operations of the Company, along with the Audited Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2025.

1) Financial Summary

The Company's financial performance for the financial year ended on March 31, 2025, is presented below:

Consolidated and Standalone Financial Results

The Company's financial performance for the year under review is summarised below:

Particulars	Consolidated		Standalone	
	2024-25	2023-24	2024-25	2023-24
Gross Total Income	3,715.44	3,316.76	3,711.56	3,293.59
Total Expenses excluding depreciation and amortization	2,428.82	1,975.95	2,412.97	1,950.77
Profit before Depreciation and tax	1,286.61	1,340.81	1,298.59	1,342.82
Depreciation and amortization expenses	31.60	26.46	18.75	14.61
Less: Expenditure	2,460.43	2,002.41	2,431.72	1,965.38
Profit before Tax	1,255.01	1,314.35	1,279.84	1,328.21
Less: Taxation	278.51	297.80	284.69	301.37
Net Profit after Tax	976.50	1,016.55	995.15	1,026.84

- The Standalone and Consolidated Financial statements for the year under review have been prepared in accordance with the relevant provisions of the Companies Act, 2013 and Indian Accounting Standards (IND AS) applicable to the Company.
- The financial results and revenue from operations, including major developments have been discussed in detail in the Management Discussion and Analysis Report attached to this Annual Report.

Financial Performance

Consolidated

On a consolidated basis, your Company has recorded a turnover of ₹ 3,715.44 Crore during FY25 as against ₹ 3,316.76 Crore in the previous year and a profit after tax of ₹ 976.50 Crore as against ₹ 1,016.55 Crore in the previous year.

Standalone

On a standalone basis, your Company recorded a turnover of ₹ 3,711.56 Crore during FY25 as against ₹ 3,293.59 Crore in the previous year and a profit after tax of ₹ 995.15 Crore as against ₹ 1,026.84 Crore in the previous year.

The Company has a CRAR of 47.15% as on March 31, 2025, as compared to 42.84% as on March 31, 2024.

2) Change in the Nature of Business

During the year, there has been no change in the nature of the business of the Company.

3) Review of Business

Operational Highlights in brief

- The aggregate Assets under Management (AUM) of the Company stood at ₹ 39,732.04 Crore as on March 31, 2025. This represents a year on year (YoY) growth of 11.93% as compared to March 31, 2024.
- The Company disbursed ₹10,623 Crore during FY25, a decrease of 16.82% compared to ₹12,768 Crore in FY24.
- The Company has 376 branches across India as on March 31, 2025.

Business overview

During the year under review, the Company posted a consolidated net profit of ₹976.50 crore for the financial year ended March 31, 2025, reflecting a 3.9% decline compared to ₹1,016.55 crore reported in the previous year.

Directors' Report (Contd..)

Despite growth in AUM, the slight dip in Profit After Tax during FY25 was primarily due to a decline in disbursements and high credit cost. Nonetheless, the Company remains financially resilient and firmly focused on sustainable growth.

Please refer to the **Management Discussion and Analysis Report** for more information on your Company's Business Overview.

4) Resource Mobilisation

During the year under review, your Company has continued to diversify the sources of funds including public sector banks, private sector banks, National Housing Bank and other financial institutions. Your Company vide special resolution passed on March 31, 2023, under Section 180 (1) (c) of the Act, ("the Act"), authorized the Board of Directors to borrow funds upon such terms and conditions as the Board may think fit in excess of the aggregate of paid up share capital and free reserves of the Company up to an amount of ₹ 35,000 crore (Rupees Thirty Five Thousand Crore only) and the total amount so borrowed shall remain within this prescribed limits.

Non-Convertible Debentures ("NCDs")

Private Placement basis

During the year under review, the Company issued Secured, Rated, Listed, Redeemable NCDs aggregating to an amount of ₹ 550.00 Crore on private placement basis. Additionally, the Company has redeemed /bought Back NCDs amounting to ₹ 280.25 Crore, which were issued on private placement basis.

Public Issue

The Company issued Secured, Rated, Listed, Redeemable NCDs to the public in the month of December 2024 and raised ₹ 380.35 Crore.

The Company has consistently met its obligations with respect to the payments of principal and interest on NCDs. During the year under review, the NCDs were paid / redeemed by the Company on or before their respective due dates. As of March 31, 2025, outstanding Secured NCDs stands at ₹ 3,774.74 Crore and outstanding Unsecured NCDs amount to ₹ 810.82 Crore.

Disclosure Under Annex XV Guidelines on Private Placement of NCDs of RBI Scale Based Regulations:

During the year under review, your company has issued debentures exclusively for the deployment of funds on its own balance sheet and not to facilitate resource requests of group entities/parent company/ associates. Additionally, no loans were extended against the security of company's own debentures (issued either by way of private placement or public issue).

Term Loans and Other Borrowings

During the year under review, the Company availed refinance facilities amounting to ₹ 1,700 Crore from the National Housing Bank (NHB) under various refinance schemes of NHB. Additionally, the Company raised funds by way of borrowing via term loans ₹ 2,086.00 Crore from various Banks / Financial Institutions. The Company has also raised ₹ 400 Crore by way of issuance of Commercial Paper. As on March 31, 2025, total outstanding borrowings excluding NCDs and PTCs / DAs stood at ₹14,444.26 Crore.

Assignment of Loans

During the year under review, the Company assigned the receivables from its housing loan portfolio aggregating to ₹ 1,838.14 Crore and Non-housing loan portfolio aggregating to ₹ 901.43 Crore. Additionally, the Company was appointed as a servicer by the Assignee/Trustee to collect and receive payment of the receivables from the Assigned Assets.

5) Dividend

During the year under review, the Board of Directors did not declare/recommend any dividend for the financial year 2024-25 and decided to conserve the profits for the future growth and operations of the Company.

6) Transfer to Reserves

In accordance with the 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 a reserve prior to declaring any dividend. During the year under review, the Company transferred 210.54 Crore (20% of Net Profit for the year) to Special Reserve. As on March 31, 2025, the said Reserves stood at ₹ 977.01 Crore. Additionally, the balance in General Reserves stood at ₹ 143.86 Crore as on March 31, 2025.

7) Share Capital

Authorised Share Capital

As on March 31, 2025, Authorised Share Capital of the Company was ₹ 1,72,00,00,000 (Rupees One Hundred and Seventy-Two Crore Only) divided into 15,20,00,000 (Fifteen Crore and Twenty Lakh) Equity Shares of ₹ 10 (Rupees ten only) each and 2,00,00,000 (Two crore) Preference Shares of ₹ 10 (Rupees Ten only) each.

Paid-up Share Capital

As on March 31, 2025, the paid-up share capital of the Company stands at ₹ 26,34,46,380 comprising of 2,63,44,638 equity shares of ₹10 each.

There was no change in the share capital of the Company during the year under review.



Directors' Report (Contd..)

8) Public Deposits

The Company is registered with National Housing Bank as a non-deposit taking housing finance Company. During the year under review, your Company has not accepted/renewed any public deposit. The provisions of Section 73 of the Act, read with applicable rules thereto and disclosure requirement under the para 44 of the RBI HFC Directions are not applicable to the Company.

9) Employee Stock Option Schemes

Your Company has formulated Employee Stock Option Scheme ("Scheme"), which was duly approved by the Shareholders of the Company in their meeting held on August 04, 2022. During the year under review, the Scheme was amended following the Shareholders' approval dated November 21, 2024. The Scheme has been devised in accordance with the Act, with amendments or any enactments thereof, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (to the extent applicable).

Further, during the year under review, pursuant to the Scheme, the Nomination and Remuneration Committee granted 2,45,788 ESOPs to employees of the Company.

In line with the Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the details related to options granted under the Employee Stock Option Scheme as on March 31, 2025, are provided in **Annexure IIA**.

10) Investor Education and Protection Fund

In accordance with Section 125 of the Act and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the amount due on NCDs that remained unclaimed for a period of seven years from the date they became due for payment has been transferred to the Investor Education and Protection Fund. During the year, the Company has transferred ₹ 0.10 Crore to the Investor Education and Protection Fund (IEPF). Debenture holders who have not claimed their dues can now approach the IEPF to claim interest.

In compliance with the SEBI Circular No. SEBI/ HO/ DDHS/DDHS-RAC-1/P/ CIR/2023/176 dated November 08, 2023, the Company has formulated a policy specifying the process to be followed by investors for claiming their unclaimed amounts and the same is available on the website of the Company at <https://www.iiflhomeloans.com/investor-relations/corporate-governance>. The Company Secretary has been designated as the Nodal Officer for the aforesaid Circular.

11) Internal Financial Control with Reference to Financial Statements

The Company has established adequate internal controls in place with reference to Financial Statements and operations and the same are operating effectively. The Internal Auditors have tested the design and effectiveness of the key controls and no material weaknesses were observed in their review. Additionally, Statutory Auditors have evaluated the Company's systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are adequate and operating effectively as of March 31, 2025.

The Audit Committee of the Board of Directors, comprising of Non-executive Directors and Independent Directors, periodically reviews the internal audit reports, covering findings, adequacy of internal controls and ensures compliance. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, adequacy and effectiveness of the internal controls and systems followed by the Company. Information System Security controls enable the Company to keep a check on technology-related risks and also improve business efficiency & distribution capabilities. The Company is committed to invest in IT systems, including back-up systems, to improve the operational efficiency, customer service and decision-making process. The company has adopted a robust, digitized risk management framework supported by the 'Three Lines of Defence' model and a Risk-Based Internal Audit Plan. The independent Internal Audit function focuses on key risks and process improvements, with oversight from the Audit Committee. Regular reviews and the ISO/IEC 27001:2013 certification reinforce strong internal controls, fraud prevention and high compliance standards.

12) Vigil Mechanism

In Compliance with the provisions of Section 177(9) of the Act, read with the Rules made thereunder, the Company has adopted a Whistle Blower Policy and has established a robust vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The Policy also provides for adequate safeguard against victimisation of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of the Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee. Whistle Blower Policy is available on website of the Company at <https://www.iiflhomeloans.com/corporate-governance>

Directors' Report (Contd..)

13) Prevention of Sexual Harassment of Women at Workplace

The Company has zero tolerance towards sexual harassment at the workplace and has strong 'Policy for Prevention of Sexual Harassment (POSH)' at workplace to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide a procedure for redressal of complaints pertaining to such harassment. In order to sensitize the employees about the policy, the Company has placed the policy on intranet portal of the Company for ease of access and unified dissemination of the policy to each and every employee of the Company.

The Company also has an Internal Complaints Committee (ICC) constituted in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with its allied Rules. The committee is responsible for conducting inquiries pertaining to complaints under the Act. Specialized training for ICC members is conducted every year and all the employees undergo POSH training module periodically.

During the year, ICC has received '**NIL**' complaints of sexual harassment from the employees of the Company. The Company ensures to sensitize its employees on regular basis about prevention and prohibition of sexual harassment.

14) Credit Ratings

During the year under review, the Company's long term debt was rated BWR AA+ (Negative) by Brickworks Ratings, CRISIL AA/Stable by CRISIL Rating Limited, [ICRA] AA/ Stable by ICRA Limited and IND AA/ Stable by India Ratings and Research.

15) Anti-Corruption Mechanism

It is the Company's mission - "To be the most respected financial services Company in India. Not necessarily the largest or most profitable." Accordingly, we have an Anti-Bribery and Anti-Corruption Policy to be read with the Gift Policy of the Company on combating corruption and conducting all business in an honest and ethical manner. The Policy is applicable to all staff including Directors, officers of the Company and all appointed third party representatives of Company such as agents, consultants, others working on behalf of the Company irrespective of their location, function or grade. The Company is transparent in all the dealings towards the stakeholders and communities with which the Company conducts the business.

The Company has a zero-tolerance approach towards bribery and other forms of unlawful activities. Our Anti-Corruption framework ensures that stakeholders do not engage in bribery or corruption in any form. In our policy, we explicitly stipulate that neither the Company nor its representative will pay or procure payment of a bribe or

unlawful fee to encourage the performance of a task or one which is intended or likely to compromise the integrity of another. The Company does not accept any payment, gift or inducement from a third party which is intended to compromise our own integrity.

E-learning training on anti-corruption is mandatory for all employees to ensure a clear understanding of the Anti-Bribery and Anti-Corruption Policy and ways to mitigate such risks.

16) Particular of Holding /Subsidiary / Associate Companies

IIFL Finance Limited is the Holding Company of your Company and is one of the leading players in the Indian financial services space. Together with its subsidiaries, it offers a diverse portfolio of financial products and services including home loans, gold loans, loans against property, MSME financing, microfinance, construction and real estate finance and capital market finance—serving both retail and corporate clientele across the country.

IIHFL Sales Limited is a wholly owned subsidiary of the Company. IIHFL Sales Limited is engaged in providing a wide range of professional/ consultancy services including sourcing, marketing, promoting, publicizing, advertising, brand building, selling and distributing, among others. It also aims to provide all kinds of advisory/consultancy services and fees-based intermediation, syndication and liaisoning services. There has been no material change in the nature of business of the subsidiary during the year under review.

The Company recorded a turnover of ₹ 25.66 Crore during FY25 as against ₹ 49.69 Crore in the previous year and a profit after tax of ₹ (18.07) Crore during FY25 as against ₹ (0.38) Crore in the previous year.

In compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("**SEBI Listing Regulations**") IIHFL Sales Limited does not fall under criteria of "material subsidiary". Further, the Company has framed a policy on Determination of Material Subsidiary which is available on the website of the Company.

Pursuant to the provisions of Section 129(3) of the Act, your Company has prepared Consolidated Financial Statements of the Company, which forms part of this Annual Report. Further, a Statement containing salient features of Financial Statement of the Subsidiary in the prescribed format AOC-1 pursuant to Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, is annexed with the Financial Statements. In accordance with Section 136 (1) of the Act, the Annual Report of your Company containing inter alia, Financial Statements including Consolidated Financial Statements, has been placed on our website at <https://www.iiflhomeloans.com/investor-relations/financials>.



Directors' Report (Contd..)

Further, your Company does not have any joint venture or associate company at any time during the year ended March 31, 2025.

17) Code of Conduct for Prevention of Insider Trading in Company's Securities

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has complied and formulated a comprehensive Code of Conduct for Prevention of Insider Trading Policy, which strictly prohibits trading in securities of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company. The primary objective of this Code is to prevent misuse of any price sensitive information and to prevent any insider trading activity by way of dealing in securities of the Company by its Designated Persons.

The Company Secretary and Compliance Officer of the Company, is authorized to act as Compliance Officer under the Code. Further, the Company has maintained a Structural Digital Database (SDD) pursuant to provisions of regulations 3 (5) and (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

18) Risk Management

Risk management is an indispensable part of the Company's strategy. The Company operates in an environment wherein various types of risks emanate from internal as well as external sources which, if not managed properly, could lead to disruption in business and impact the attainment of main objectives of the organisation.

In order to safeguard and facilitate proactive management of risk, the Company has Board approved Risk Management Policy in place and created a comprehensive "Enterprise Risk Management Framework (ERM) which is designed to identify, measure, monitor, control and mitigate various types of risk.

The Company's Risk Management strategy is governed by the Board with the assistance of Risk Management Committee that regulates and oversees enterprise-wide risk management, ensuring it to develop a sustainable business, creating the long term value for our stakeholders.

Risk Management Department identifies, analysis and takes measures to mitigate various risks faced by the Company. The department is guided by the Company's Risk Management Committee and the Senior Management to develop and implement Risk Assurance practices through organization. The risk management framework institutionalized in the Company is supported by a "Three Lines of Defense" approach. Business functions act as the first line of defense, control functions like Risk Management and Compliance act as second line of defense and the Internal Audit acts as the third line.

19) Directors and Key Managerial Personnel

In compliance with the applicable provisions of the Listing Regulations, the Act, RBI HFC Directions and the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ("RBI SBR Directions"), as on March 31, 2025, the Company's Board of Directors comprises ten Directors including one Executive Director and nine Non-executive Directors including five Independent Directors and one Nominee Director.

The two terms of Mr. Srinivasan Sridhar (DIN: 00004272) as an Independent Director each spanning five consecutive years had expired on March 31, 2024 (with effect from close of business hours). Considering Mr. Sridhar's ongoing participation and leadership, the Board upon recommendation of Nomination and Remuneration Committee, appointed Mr. Sridhar as the Chairman and a Non-executive Director on the Board of the Company, effective from April 01, 2024. The appointment was subsequently approved by the Shareholders in the 18th Annual General Meeting held on June 20, 2024.

Further, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ramakrishnan Subramanian (DIN: 02192747) as an Independent Director of the Company. The appointment was subsequently approved by the shareholders in the 18th Annual General Meeting of the Company with effect from April 01, 2024, for a first term of five consecutive years.

Furtherance to this, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mohan Sekhar (DIN: 00032093) as an Independent Director of the Company with effect from June 30, 2024. The Members, in their Extra-ordinary General Meeting held on September 26, 2024, approved the appointment of Mr. Mohan Sekhar (DIN: 00032093) as an Independent Director of the Company with effect from June 30, 2024, to hold office for first term five consecutive years.

The detailed profile of all the Board Members is provided in the Corporate Governance Report.

Non-Executive Directors

In terms of provisions of Section 152 of the Act, Mr. Kabir Mathur (DIN: 08635072), Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for reappointment. The Board recommends the same for shareholders' approval.

Disclosure under Section 197(14) of the Act

The CEO of the Company has not received any commission from the subsidiary of the Company.

Directors' Report (Contd..)

Key Managerial Personnel

In compliance with the applicable provisions of the SEBI Listing Regulations, the Act, the Reserve Bank of India (RBI) vide its notification no. RBI/2020-21/73 DOR.FIN. HFC.CC. No. 120/03.10.136/2020- 21 dated February 17, 2021 prescribed RBI HFC Directions for housing finance Companies (RBI HFC Directions) and RBI SBR Directions, during the year under review, Mr. Sumit Jhunjunwala was appointed as the Chief Financial Officer and Whole-time Key Managerial Personnel of the Company, effective from February 12, 2025. This appointment was made following the resignation of Mr. Gaurav Seth, who stepped down from the of chief financial officer to pursue new professional opportunities on February 11, 2025.

Mr. Monu Ratra, Executive Director & CEO, Mr. Ajay Jaiswal, Company Secretary and Mr. Sumit Jhunjunwala, Chief Financial Officer are the Key Managerial Personnel (KMPs) in accordance with the provisions of Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

20) Number of Meetings of Board

During the period under review, Five (5) Board meetings were held and the gap between the said meetings did not exceed the limit of 120 days as prescribed under the provisions of the Act and Rules made thereunder, Secretarial Standard-I Issued by Institute of Company Secretaries of India and provisions of SEBI Listing Regulations. The dates of these Board meetings and along with the details of attendance of each director have been disclosed in the Corporate Governance Report annexed with the Board's Report as **Annexure-V**.

21) Committees of the Board

The Company believes that Board Committees plays a vital role in fostering robust Corporate Governance practices within the Company. Accordingly, the Company has constituted various Board Committees to improve the Board efficiency and facilitate decision making. The constitution of these Committees is in acquiescence of provisions of the Act and relevant rules made thereunder, SEBI Listing Regulations, applicable regulations of National Housing Bank/Reserve Bank of India, Articles of Association and other guidelines issued from time to time. The details of the Board Committees of the Company including number and date of meetings of Committees held during the FY 2024-25 and attendance there at are disclosed in the Corporate Governance Report annexed with Board's Report as **Annexure-V**.

22) Code of Conduct for Directors and Senior Management Personnel

The Code of Conduct for Directors and Senior Management Personnel of the Company is in conformity with the requirements of the SEBI Listing Regulations and is available on the website of the Company.

All the Director's of the Company and Senior Management Personnel have affirmed compliance with Company's Code of Conduct for Directors and Senior Management Personnel and a declaration to that effect, duly signed by the CEO of the Company is enclosed to this Annual Report.

23) Directors & Officers Insurance

The Company has an appropriate Directors and Officers Liability Insurance Policy which provides indemnity in respect of liabilities incurred as a result of their office. The policy is renewed every year.

The coverage of the insurance extends to all Directors and Officers of the Company including the Independent Directors.

24) Board Evaluation

The Board of Directors conducted its annual evaluation of its own performance, the performance of its committees and that of individual directors, in accordance with the provisions of the Act and the SEBI Listing Regulations. The evaluation of the Board's performance was undertaken after obtaining inputs from all Directors, based on established criteria including Board composition and structure, the effectiveness of Board processes, the flow of information and overall functioning. Similarly, performance of the various Board Committees was evaluated by the Board after considering feedback from respective Committee Members, with emphasis on parameters such as Committee composition, effectiveness of meetings and the discharge of delegated responsibilities. These evaluation criteria were broadly aligned with the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, the Board Committees the Board as a whole and the Chairman of the Company was reviewed, taking into consideration the views of both Executive and Non-Executive Directors. Further, the Board, based on the feedback and recommendations of the Nomination and Remuneration Committee, assessed the performance of individual Directors on parameters such as active participation in Board and Committee meetings, preparedness and their contributions etc.



Directors' Report (Contd..)

To ensure independence and confidentiality in the evaluation process, the Company has engaged the services of an independent external agency during the year under review. The evaluation was conducted through a secure online platform.

Based on the outcome of the evaluation, the Board noted that the composition of the Board continues to reflect the appropriate mix of expertise, experience and integrity required for effective governance and strategic oversight of the Company.

25) Familiarization Programme for Independent Director

In accordance with the provisions of Regulation 25(7) and 62N of the SEBI Listing Regulations, the Company regularly familiarises its independent directors at regular intervals, with their roles and responsibilities and the business strategies of the Company. Apart from the aforementioned, the Company also updates the independent directors periodically with the recent changes in statutory provisions applicable to the Company and/or any change /addition in the business operations of the Company. The details of training and familiarization programme conducted during the year are provided in the Corporate Governance Report and is also available on the website of the Company.

26) Internal Guidelines on Corporate Governance

The RBI HFC Directions, inter alia, requires all the Housing Finance Companies to put in place an Internal Guidelines on Corporate Governance and a Policy on "fit and proper" criteria for Director/s at the time of appointment and on a continuing basis, with the approval of the Board of Directors of the Company. The Company has Internal Guidelines on Corporate Governance in line with the RBI HFC Directions and the same is available on the website of the Company. The company has received the Fit & Proper declaration from all the directors.

27) Statement of declaration by Independent Directors

In terms of provisions of sub-section (7) of Section 149 of the Act and Regulation 25(8) read with Regulation 62N(9) of the SEBI Listing Regulations, the Company has received declarations by Independent Directors stating and confirming that they are not disqualified to act as Independent Directors on the Board of the Company and further the Board is also of the opinion that the Independent Directors fulfil all the conditions specified in the Act making them eligible to act as the Independent Director. They have registered their names in the Independent Director's databank.

28) Joint Statutory Auditors

M/s. S. R. Batliboi & Associates LLP (Firm Registration Number: 101049W/E300004) and M/s. Sundaram & Srinivasan, Chartered Accountants (Firm Registration Number: 004207S) are the Joint Statutory Auditors of the Company, to hold office for a period of three consecutive years from the date of their appointments. M/s S.R. Batliboi & Associates, had been appointed as the Statutory Auditors of the Company in the 17th Annual General Meeting ("AGM") of the Company held on June 29, 2023 and M/s. Sundaram & Srinivasan, had been appointed as the Statutory Auditors of the Company in the 18th AGM of the Company held on June 20, 2024.

The appointment of Joint Statutory Auditors are in conformity with the provisions of RBI Guidelines, Sections 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (includes amendments thereto) for a term of 3 years.

29) Auditors Report

The Audit Report issued by M/s. S. R. Batliboi & Associates LLP., Chartered Accountants and M/s. Sundaram & Srinivasan, Chartered Accountants, Statutory Auditors of the Company forming part of the Company's Financial Statements does not contain qualifications, reservations, adverse remarks or disclaimers made by the Joint Statutory Auditors in their Report.

Pursuant to RBI HFC Directions, a separate report to the Board of Directors, issued by the Auditors forms part of the Company's Financial Statements.

30) Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

31) Maintenance of Cost Records

The Company being a Housing Finance Company is not required to maintain cost records as prescribed under section 148(1) of the Act.

32) Regulatory Guidelines

The Company has duly complied with the RBI HFC Directions regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, concentration norms and ALM requirements, among others, as in force from time to time.

Directors' Report (Contd..)

The Company has been maintaining capital adequacy as prescribed by RBI. The Capital adequacy was 47.15 % (IND-AS) (as against 15% prescribed by the RBI) as on March 31, 2025.

Regulatory Structure under Scale Based Regulation

Pursuant to RBI SBR Directions, as amended from time to time, the Company is categorised as an NBFCs-Middle Layer (NBFCs-ML) being a Housing Finance Company (HFC).

With respect to above, the RBI has issued various circulars/guidelines in the Financial Year 2024-25 which were duly implemented by the Company including formation of policies, implementing procedures and to review their outcome on periodic basis.

The Board periodically reviews the compliance with the Fair Practices Code, as well as the effectiveness of the grievance redressal mechanism at various levels of management.

IRDAI Compliance

The Company is registered as a Corporate Agent (Composite) with Insurance Regulatory and Development Authority of India (IRDAI) for carrying on the Insurance Agency Business and has complied with the applicable requirements under Insurance Regulatory and Development Act, 1999 and IRDAI (Registration of Corporate Agent) Regulations 2015, as amended from time to time.

33) Remuneration Policy

Pursuant to the requirements of the Act, SEBI Listing Regulations and in compliance with RBI HFC Directions, the Board of Directors of the Company approved the Nomination and Remuneration Policy on recommendation of the Nomination and Remuneration Committee. Objective of the Policy is to have adequate composition of the Board comprising of Executive, Non-Executive and Independent Directors and appointment and removal of Directors, Key Managerial Personnel (KMPs). The Policy also provides for remuneration to Directors, KMPs and senior management, involving balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal. The Nomination and Remuneration Policy is placed at website of the Company at <https://www.iiflhomeloans.com/corporate-governance>.

34) Material Changes and Commitments affecting the Financial Position of the Company

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

35) Significant and Material Orders

During the year, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

36) Corporate Social Responsibility

The Corporate Social Responsibility ("CSR") Committee of the Board has formulated and recommended to the Board a CSR Policy indicating the CSR activities that can be undertaken by the Company. The Board approved the CSR Policy which is available on the website of the Company at <https://www.iiflhomeloans.com/corporate-governance>.

The CSR projects of the Company are guided by the same values that guide the business of IIFL Group Companies. It can be summarised in one acronym: -HELP, which stands for Health, Education, Livelihood and Poverty Alleviation.

Most of the activities are undertaken through the India Infoline Foundation (generally referred to as "IIFL Foundation"), a CSR arm of the IIFL Group. During the year under review, your Company was required to spend (₹ 20.50 crore) i.e., 2% of its average net profits (computed as per the relevant provisions of the Act) of the preceding years on CSR projects. The details of the amount spent and unspent are provided in the Annual Report on CSR which is enclosed as **Annexure I**.

37) Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure II(b)**.

Further, a statement showing the names and other particulars of employees drawing remuneration as per the limits set out in Rules 5(2) and 5(3) of the aforesaid Rules, forms part of this Report. However, in terms of the provisions of Section 136(1) of the Act, read with the Rules, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy will be sent.

38) Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit was conducted by M/s RMG & Associates, Practising Company Secretaries for the FY 2024-25. The Secretarial Audit does not contain any qualifications, reservations or adverse remarks or disclaimers and the same is annexed as **Annexure III** to this Report.



Directors' Report (Contd..)

39) Annual Secretarial Compliance Report

The Board of Directors of the Company has appointed M/s RMG & Associates, Practising Company Secretaries Firm to conduct an annual secretarial audit for FY 2024-25 on compliance with all applicable SEBI Regulations and circulars/ guidelines issued there under. The Secretarial Auditors have also issued the Secretarial Compliance Report pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI circular dated February 08, 2019.

40) Corporate Governance

Pursuant to the requirements of RBI HFC Directions and SEBI Listing Regulations, Related Party Transactions Policy and a Report of the Directors on Corporate Governance forms part of this report and are placed at **Annexure IV** and **Annexure V**, respectively.

41) Management Discussion and Analysis Report

In accordance with the requirements of Regulation 53(f) read with Schedule V of the Listing Regulations and RBI HFC Directions, the Management Discussion and Analysis Report forms part of this report and is provided in this Report at **Annexure VI**.

42) Annual Return

As required under Section 92(3) of the Act and the Rules made thereunder and amended from time to time, the Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company, i.e., <https://www.iiflhomeloans.com/investor-relations/shareholder-meetings>.

43) Secretarial Standards

The Company has followed and complied with all applicable mandatory Secretarial Standards for the FY 2024-25.

44) Name & Contact Details of Debenture Trustees

- Vistra ITCL (India) Limited
505, A-2, The Capital G Block, Bandra Kurla Complex Bandra (East), Mumbai 400051
E-mail: itclcomplianceofficer@vistra.com
- Catalyst Trusteeship Limited
Unit No- 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
E-mail: ComplianceCTL-Mumbai@ctltrustee.com

45) Director's Responsibility Statement

The Board acknowledges its responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act, in the preparation of annual accounts for the year ended as of March 31, 2025 and states that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards were followed along with proper explanations relating to material departures;
- The Director's had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the Annual Accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

46) Particulars of Loans, Guarantees or Investments

As your Company is a Housing Finance Company, the disclosures regarding the particulars of the loans made, guarantees given and security provided are exempt under the provisions of Section 186(11) of the Act. As such the particulars of loans and guarantees have not been provided in this Report.

Your Company has invested ₹ 25 crore to acquire 5% stake in the RMBS Development Company Limited. RMBS Development Company Limited is aimed at revitalizing the residential mortgage-backed securities (RMBS) market and unlocking its potential for financing affordable housing,

Further other investments made by the Company during the regular course of the business, are provided under Note No. 8, which forms part of the Audited Financial Statements for the year ended on March 31, 2025.

Directors' Report (Contd..)

47) Particulars of Contracts or Arrangements with Related Parties

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. No contracts/ arrangements have been entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other persons that may have a potential conflict with the interests of the Company. Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company. The transactions with related parties are disclosed in the Notes to Accounts in the Standalone Financial Statements of the Company for the year ended on March 31, 2025.

Related Party Transactions Policy which has been approved by the Board of Directors, the same has been placed on the website of the Company <https://www.iiflhomeloans.com/corporate-governance>

48) Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of Energy

The Company is engaged in providing home loans and other financial services and as such, its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as:

- Gurugram head office was certified with Gold Level LEED Rating under Operations and Maintenance Category (Version 4.1) from USGBC (U.S Green Building Council)
- Solar panels of 25kWp capacity is installed on the rooftop of the Gurgaon head office aimed at diminishing energy consumption.
- Education and awareness programmes for employees.
- Creating environmental awareness by way of distributing the information in electronic form.

The Management frequently puts circulars on the corporate intranet, IWIN, for the employees educating them on ways and means to conserve electricity and other natural resources and ensuring strict compliance with the same.

Technology

The Company remains committed to investing in technology to provide it with a competitive edge and business scalability. Digitization and analytics through all business processes have been the Company's focus, enabling agility, flexibility and relevance. The major highlights of the current year are as follows:

- The Company has integrated with the government's Common Services Centres platforms for increasing distribution. The Company has also integrated with Qualtrics for customer's feedback.
- The Company has introduced account aggregator in onboarding application Jhatpat for seamless banking validation.
- The Company has continued with focus on the vernacular whastapp customer service journey by introducing 10 vernacular languages.
- The Company has introduced automated business rule engines to collections journeys and has also deployed an AI chatbot for collections.

As the Company continues to expand its geographic reach and enhance the scale of operations, it intends to further develop and integrate technology to support growth and improve service quality.

To safeguard critical data and applications, the company has implemented a secure, efficient and scalable network using a Zero Trust Network Architecture. This strategic move has strengthened our cybersecurity posture, reduced exposure to cyber threats and ensured secure, compliant access to financial systems across a distributed workforce.

Transitioning to a Zero Trust model marks a significant milestone in our cybersecurity strategy, aligning with industry standards and reinforcing our defenses in an increasingly complex digital landscape.

49) Foreign Exchange Earnings & Outgo

During the year under review, the details of Foreign Exchange earnings & Outgo of the Company are as under

Foreign exchange earnings: - Nil
Foreign exchange expenditure: - ₹ 24,81,29,046

50) Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the reporting period.

51) Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

Not applicable during the year ynder review.



52) Disclosure pursuant to SEBI Circular SEBI/HO/DDHS/ DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023 read with Chapter XII of SEBI Operational Circular No. SEBI/ HO/DDHS/P/ CIR/2021/613 dated August 10, 2021 and SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

Your Company has raised incremental long-term borrowing of ₹ 5,100.64 crore in the current financial year (FY2025). Borrowings raised by way of issuance of debt securities during the current year was ₹ 930.85 crore.

There was a shortfall of ₹ 344.81 Crore, since the capital market conditions for the Company were muted for raising long term debt securities during the year.

53) Annexure forming part of this Report of Directors

The Annexure referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

- Report on Corporate Social Responsibility - **Annexure I**
- The details related to options granted under the Employee Stock Option Scheme as on March 31, 2024 - **Annexure II(a)**
- The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Act, read with Rule 5(1) of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 - **Annexure II(b)**
- Secretarial Audit Report- **Annexure III**
- Related Party Transactions Policy- **Annexure IV**
- Report on Corporate Governance- **Annexure V**
- Management Discussion & Analysis Report- **Annexure VI**

54) General

Your Directors state that during FY 2024-25:

- the Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- the Company has not issued any sweat equity shares during the year;
- the Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the Rules framed there under;
- there is no change in nature of business of the Company during the year;

- the Company has not defaulted in repayment of loans from banks and financial institutions;
- there were no delays or defaults in payment of interest/ principal of any of its debt securities;
- There is no application made / proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any Bank or Financial Institution.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

55) Human Resource

IIFL Home Finance has implemented strong HR strategies to attract and retain talent in line with its growth objectives. Key initiatives include adoption of the RPO model, apprenticeship tie-ups and campus hiring from Tier II, III and IV towns. The company offers competitive compensation and focuses on employee development. It successfully transitioned to a new HRMS and continued its recognition as a Great Place to Work. As on March 31, 2025, the Company had a total of 4,562 employees on its rolls, comprising 4,121 male employees and 441 female employees.

56) Acknowledgements

The Company's Directors place on record their sincere appreciation for the assistance and guidance provided by the regulators, stock exchanges, other statutory bodies and the bankers for the assistance, cooperation and encouragement extended.

IIFL Home Finance's Directors also gratefully acknowledge all stakeholders, including customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Company's employees are instrumental in scaling new heights, year after year. Shareholders' commitment and contribution is deeply acknowledged. Your involvement as shareholder is also greatly valued. The Directors look forward to the continued support of the shareholders.

For and on behalf of the Board of Directors

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai
Date: May 06, 2025

Venkataraman Rajamani
Director
DIN: 00011919
Place: Mumbai
Date: May 06, 2025

Annexure I

The Annual Report on Corporate Social Responsibility (CSR) Activities of IIFL Home Finance Limited for the Financial Year ended March 31, 2025

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

IIFL Home Finance Limited ("the Company" or "IIFL Home Finance") ensures that its activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The Company strongly believes that Corporate Social Responsibility ("CSR") initiatives play a crucial role in promoting inclusive growth and equitable development.

The CSR policy is designed to drive inclusive growth by focusing on key areas such as education, healthcare, financial literacy and environmental sustainability. The Company ensures alignment with Schedule VII of the Companies Act, 2013 and undertakes projects through credible partners under a well-defined governance framework. The CSR Policy and activities of the Company are guided by the same values that guide its business of the Company. It can be summarised in one acronym – FIT, which stands for:

- Fairness** in all our transactions
- Integrity** and Honesty in letter, in spirit and in all our dealings with people
- Transparency** in all our dealings

By applying these values to the CSR activities, IIFL Home Finance Limited undertakes initiatives that create sustainable growth and empower underprivileged sections of the society.

The focus areas prioritised by IIFL Home Finance Limited in its CSR strategy are guided by the philosophy of HELP (Health, Education & Environment, Livelihood and Poverty Alleviation). The CSR activities of IIFL Home Finance are executed by India Infoline Foundation (generally referred to as "IIFL Foundation"), the Implementing Agency. In line with its philosophy, the Company had undertaken the following activities during FY 2024-25:

- Providing long-term intervention, following a holistic approach (nutrition, health, learning and community strengthening, in a caring and protecting environment) through our "Chauras" programme, which has benefited 1373 children through 11 centers in Uttar Pradesh, Rajasthan, Gujarat.
- Programme focused on building foundational literacy and numeracy skills among females from marginalised communities in Rajasthan, through our 'Sakhion ki Baadi' programme, which has engaged with 6,600 students across 4 districts through 220 learning centers.

- Smart Shaala programme to promote Academic Learning of Teachers and Students at Government schools in Sonbhadra & Chitrakoot (Aspirational Districts) of Uttar Pradesh. Through this programme we have engaged with 2.72 Lakh students and 5582 teachers from 2791 Government schools
- Collaborating with the Government of Rajasthan we have provided Flat interactive panels (Smart TVs) to 125 government schools in Udaipur and Baran (Aspirational) districts of Rajasthan, to promote learning over digital medium. The project is approved under the guidance of Honorable Minister of School Education, Rajasthan.
- Support to 10 community-based learning centers – Seva Kutir, for holistic development of children from marginalized (scheduled tribe) communities in Sheopur district of Madhya Pradesh. Children are offered special coaching to excel in academics, along with nutritious meals twice a day and engagement in extra-curricular activities.
- Partnered with Gyan Shaala to improve the literacy outcome of the girls enrolled in the Sakhion ki Baadi programme in Rajasthan, through development of structured syllabus and curriculum followed with training of the teachers.
- Collaborated with Government of Rajasthan to bring holistic development at 102 Government Girls Schools across Udaipur district, to promote enrollment and retention of girls in the schools, spanning over next 3 years. The project is approved under the guidance of Honorable Minister of School Education, Rajasthan.
- Developing the Kutumb App, a digital platform designed to promote sustainability and affordable housing. The app aims to empower a diverse audience—including self-built homeowners, students, architects, developers and sustainability enthusiasts—by providing access to courses, resources and events focused on green construction, energy efficiency and eco-friendly building practices.
- Supporting homeowners, contractors and small developers in Tier 2 and Tier 3 cities across India, the Green Handbook - Building Homes for Tomorrow (2nd Edition) provides a comprehensive guide on sustainable construction. The handbook covers five modules - Building Typologies, Materials and Constructions, Services and Equipment, Maintenance Manual and the Finance Module to help stakeholders

Note: To check this report please refer to page no.



Annexure I (Contd..)

adopt eco-friendly building practices. It features 5 detailed case studies showcasing real-world examples of green building implementation and will be available in 5 languages to reach a wider audience.

- IIFL HFL's GVP team is evaluating selected projects and construction sites based on key environmental, social and governance (ESG) criteria. The assessment focuses on ensuring compliance with regulatory environmental requirements and alignment with sustainability, social impact and governance practices. The evaluation aims to promote responsible development and support projects that positively contribute to both the environment and society. 9 projects have been evaluated so far.
- Enabling communities to build resilient and eco-friendly homes, Humara Kutumb transforms sustainable housing from concept to reality. Through demo houses, workshops and training, the initiative provides homeowners with practical solutions for energy and water efficiency, reducing costs while promoting sustainability. So far, 3 batches of 10 houses each have been certified as Green Homes by EDGE Home Prescriptive across 5 states—Madhya Pradesh,

Chhattisgarh, Gujarat, Andhra Pradesh, Karnataka and Tamil Nadu. Additionally, 2 more batches have been submitted for certification and are expected to be completed soon. Over 250 more homeowners have also been convinced and onboarded to adopt sustainable practices in their own homes.

- Dedicated to community empowerment and environmental sustainability, the Disha initiative addresses challenges in both urban and rural areas, creating opportunities for sustainable living and development through impactful programmes. The initiative has conducted Solid & Liquid Waste Management and sustainable living Workshops engaging 7000+ households.
- Preserving cultural heritage while creating sustainable livelihoods, the SheCreates project empowers women artisans in West Bengal through digital and financial literacy training and infrastructural support. By strengthening production capabilities and fostering community development, the project enhances economic opportunities. It has trained 260+ women artisans in financial and digital literacy and assisted 255+ artisans in accessing government schemes.

2. Composition of CSR & Sustainability Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee entitled to attend	Number of Meetings of CSR Committee attended during the year
1.	Ms. Mohua Mukherjee	Chairperson	2	2
2.	Mr. Venkataraman Rajamani	Member	2	2
3.	Mr. Monu Ratra	Member	2	2
4.	Mr. Mathew Joseph*	Member	1	0
5.	Mr. Mohan Sekhar*	Member	1	1

*Mr. Mathew Joseph, Independent Director and Mr. Mohan Sekhar, Independent Director were inducted to the CSR & Sustainability Committee ith effect from November 21, 2024.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of the CSR committee mentioned above is available on the website of the Company -i.e., <https://www.iiflhomeloans.com/corporate-governance>

CSR Policy is available on the website of the Company i.e., <https://www.iiflhomeloans.com/corporate-governance>

Details of CSR projects is available on the website of the Company i.e., <https://www.iiflhomeloans.com/investor-relations/corporate-announcements-intimation>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

During the year under review, the company conducted following impact assessment.

Executive Summary

Project Pankh, a CSR initiative was designed to improve the lives of migrant construction workers and their families through integrated interventions in early childhood education, health, hygiene, safety and community awareness. Implemented across 10

learning centres at construction sites nationwide, the programme created safe, play-based spaces for first-generation learners, fostering development through storytelling, crafts and celebrations. An impact assessment conducted in FY 2024–25 gathered insights from teachers and developers, highlighting improvements in children’s hygiene, literacy and behaviour, with children acting as agents of change at home. Over 210 workshops on safety, health and gender sensitivity saw strong participation, especially from women and younger workers, leading to improved hygiene and safety awareness. Despite successes, challenges such as weak infrastructure, gender-specific barriers and the absence of real-time monitoring remain. Key recommendations include improving infrastructure, enhancing coordination, deploying mobile monitoring and embedding gender-sensitive practices. Project Pankh demonstrates the potential of community-driven interventions to strengthen urban social protection for migrant families.

Impacts assessment report is available on the website on the Company i.e., <https://www.iiflhomeloans.com/investor-relations/corporate-announcements-intimation> The Impact Assessment Report is annexed with Annexure I of the Board report.

Sl. No.	Particulars	Amount (in ₹)
a.	Average net profit of the Company as per sub-section (5) of section 135	10,22,96,58,773
b.	Two percent of average net profit of the Ccompany as per sub-section (5) of section 135	20,45,93,175
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d.	Amount required to be set-off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	20,50,00,000 /- (Rounded of)

6. a. Amount spent on CSR Projects (both ongoing project and other than ongoing project): ₹ 10,24,40,232

FY 2024-25: ₹ 5,85,88,983

Previous years unspent amount spent in FY 2024-25: ₹ 4,38,51,249

b. Amount spent in Administrative overheads: ₹ 24,63,491

c. Amount spent on Impact Assessment, if applicable: N.A.

d. Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 10,49,03,724

e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
10,49,03,724			Not Applicable	Not Applicable	Not Applicable
FY 25- 5,85,88,983	12,64,70,749	25. 04.2025			
FY 24- 4,38,51,249	2,05,27,597	28.04.2025			

f. Excess amount for set-off, if any: NIL

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	30,50,820*
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

Note: Includes the surplus arise out of CSR funds as at March 31, 2025 amounting to ₹30,50,820



Annexure I (Contd..)

7. Details of unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2023-24	5,63,39,907	1,63,23,246	4,00,16,661	-	-	-	-
2	FY 2022-23	1,26,55,010	88,20,422	38,34,588	-	-	-	-
3	FY 2021-22	3,03,00,000	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If Yes, enter the number of Capital assets created/ acquired – N/A

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	-	-	-	-	-	-	-

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

The unspent amount was pertaining to the ongoing projects and the same would be required and utilised over the period of three years as stipulated under the Act.

Responsibility Statement of the CSR Committee:

Through this report, IIFL Home Finance Limited seeks to communicate its commitment to CSR to the Ministry of Corporate Affairs. The implementation and monitoring of the CSR Policy are in compliance with the CSR objectives and policies as laid down in this Report. The Board of the Company and the CSR Committee are responsible for the integrity and objectivity of all the information provided in the disclosure above. All projects reported have been selected based on careful evaluation of the extent to which they create sustainable positive outcomes for marginalised segments of society. The Company has adopted measures to ensure that these projects are implemented in an effective and efficient manner so that they are able to deliver maximum potential impact. In line with the requirements of Section 135, the Company has also established a monitoring mechanism to track the progress of its CSR projects. The CSR Committee and the Board ensure that the funds disbursed have been utilised for the purpose and in the manner as approved by them and the Chief Financial Officer.

For and on behalf of the Board of Directors

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai
Date: May 06, 2025

Mohua Mukherjee
Director
DIN: 08714909
Place: Mumbai
Date: May 06, 2025

Annexure to CSR

Impact Assessment Report

Disclaimer:

- This report has been prepared solely for the purpose set out in the Memorandum of Understanding (MoU) signed between Renalysis Consultants Pvt. Ltd. (CSRBOX) and IIFL Home Loans to undertake the Impact Assessment of Project Pankh.
- This impact assessment is under the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, notification dated 22nd January 2021.
- This report shall be disclosed to those authorised in its entirety only without removing the disclaimer. CSRBOX has not performed an audit and does not express an opinion or any other form of assurance. Further, comments in our report are not intended, nor should they be interpreted to be legal advice or opinion.
- This report contains an analysis by CSRBOX considering the publications available from secondary sources and inputs gathered through interactions with the leadership team of the IIFL Team and project beneficiaries, and various knowledge partners. While the information obtained from the public domain has not been verified for authenticity, CSRBOX has taken due care to receive information from sources generally considered to be reliable.
- In preparing this report, CSRBOX has used and relied on data, material gathered through the Internet, research reports, and discussions with personnel within CSRBOX, as well as personnel in related industries.

Specific to the Impact Assessment of Project Pankh

CSRBOX has neither conducted an audit or due diligence nor validated the financial statements and projections provided by IIFL Home Loans. Whether information was not available in the public domain, suitable assumptions were made to extrapolate values for the same.

- CSRBOX must emphasise that the realisation of the benefits/improvisations accruing out of the recommendations set out within this report (based on secondary sources) is dependent on the continuing validity of the assumptions on which it is based. The assumptions will need to be reviewed and revised to reflect such changes in business trends, regulatory requirements, or the direction of the business as further clarity emerges. CSRBOX accepts no responsibility for the realisation of the projected benefits
- The premise of an impact assessment is 'the objectives' of the project, along with output and outcome indicators pre-set by the programme design and implementation team. CSRBOX's impact assessment framework was designed and executed in alignment with those objectives and indicators.



Abbreviations

CSR	Corporate Social Responsibility
SDG	Sustainable Development Goals
WASH	Water, Sanitation and Hygiene
PLFS	Periodic Labour Force Survey
IRECS	Inclusiveness, Relevance, Expectation, Convergence, Service Delivery
BCC	Behaviour Change Communication

Executive Summary

Project Pankh, an initiative by IIFL Home Loans CSR programme, was designed to improve the lives of migrant construction workers and their families through integrated interventions in early childhood education, health, hygiene, safety, and community sensitisation. Implemented across construction sites, the initiative addressed systemic challenges in informal labour settings, where access to structured support is often limited.

This impact assessment study draws on qualitative insights from interactions with two key stakeholders: **teachers managing the on-site learning centres and site developers** affiliated with construction companies. Teachers offered ground-level perspectives on child development, community engagement, and educational outcomes, while developers shared observations on infrastructure, behavioural shifts, and the effectiveness of the workshops.

The programme established **10 learning centres** at PAN India level which served as safe, play-based spaces for children of construction workers who are generally first-generation learners, where teachers used storytelling, crafts, and festive celebrations to promote holistic development. During their stay at the learning centre, children showed progress in hygiene, literacy, and social behaviour. Importantly, children acted as messengers of change, transferring health and hygiene knowledge from classrooms to their homes, sparking behaviour shifts in their families.

A total of **210 workshops** were conducted under the programme, which focused on site safety, gender sensitivity, health, and sanitation. Participation was strongest among women and younger workers, leading to modest yet notable behavioural changes, such as improved toilet use, personal hygiene, and safety awareness. Workers also became more conscious of child safety, with many preferring to send children to the centres, thereby reducing on-site risks and indirectly boosting morale and retention.

Nonetheless, the project faced limitations, including inconsistent infrastructure, communication gaps, gender-specific challenges like poor toilet access and wage inequality, and the absence of a real-time monitoring system. To enhance impact, recommendations include improving infrastructure, strengthening inter-stakeholder coordination, deploying a mobile monitoring platform, and embedding gender-sensitive policies and programming.

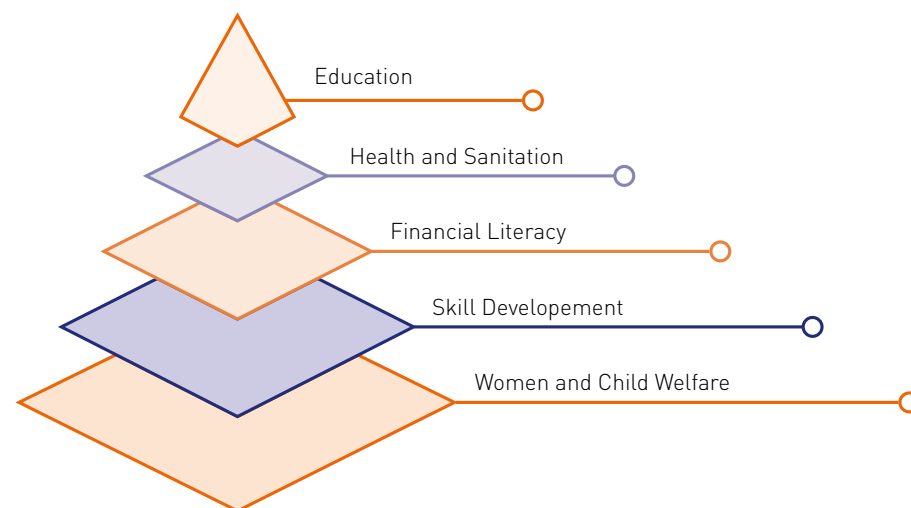
Project Pankh illustrates how community-rooted, compassionate interventions can catalyse change within underserved migrant populations and begin to bridge critical gaps in urban social protection.



Ch1: Project Context and Background

1.1 About IIFL CSR

IIFL Foundation, the CSR arm of IIFL Group, is committed to fostering inclusive growth and enabling sustainable development across India. The CSR initiatives under IIFL group are either executed through the IIFL Foundation or as in-house initiatives of the IIFL Home Finance. The thematic areas that they work on are as follows:

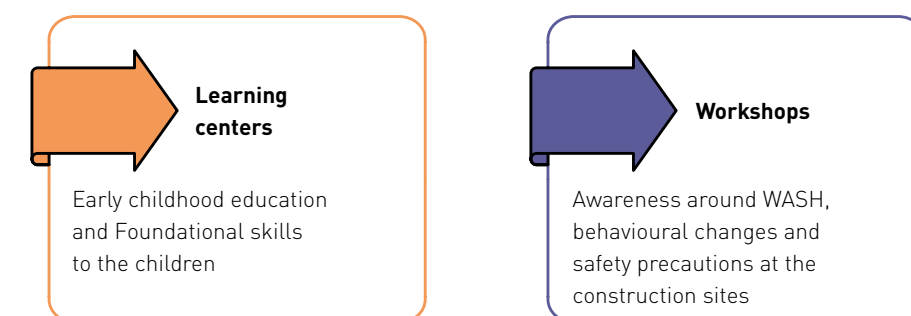


Through its strategic interventions, IIFL CSR aims to uplift underserved communities, particularly migrant and low-income families, by providing access to quality services and creating opportunities for improved livelihoods. The foundation believes in a holistic and community-centric approach, ensuring that interventions are not only impactful but also scalable and sustainable.

Pankh Project, an in-house initiative of IIFL Home Finance, was implemented in collaboration with The Social Lab. The programme owes to the CSR's commitment to supporting the children of construction workers by bridging educational gaps, raising awareness among construction workers and building inclusive spaces at the grassroots level.

1.2 About the Programme

Project Pankh is a flagship initiative of IIFL Home Finance CSR, designed to address the educational and developmental needs of children of migrant construction workers. These children often face disruptions in their learning journeys due to frequent relocation, lack of access to early education, and unsafe environments at construction sites. The major components of the programme include:



To counter these challenges, the programme establishes learning centres within construction sites, creating a safe, structured, and stimulating environment where children can engage in foundational education. The curriculum emphasises the development of listening, speaking, and pre-reading skills through age-appropriate pedagogy, such as storytelling, art-based learning, and interactive activities. These centres not only provide children with educational support but also foster their emotional and social well-being.

Parallelly, the programme also engages with construction site workers and parents through awareness sessions on key topics, including health, hygiene, nutrition, and financial literacy. This dual-focus approach ensures that while children benefit from structured learning environments, their parents are also empowered with knowledge and resources to support their families' overall development. The programme aims not just to educate but to empower families, strengthen communities, and promote inclusive growth at the grassroots level.

No. Of Learning Centres	No. of Students	No. of Construction Workers
10	332	2814

Additionally, equipment such as smart kits, pen drive, etc., were provided at the learning centres to make learning more interesting and enjoyable.

Location	Center name	Asset Status
Hyderabad	Tranquillo Hyderabad	Tv - 1 Pen drive - 1
	Mahal Aangan	Tv - 1 Pen drive - 1 Smart Kits - 4 Bala Boards - 13
Jaipur	Ravi Surya Group	Tv - 1 Pen drive - 1 Bala Boards
	Pyramid Elite -86	Tv - 1 Pen drive - 1 Smart Kits Bala Boards
Gurgram	fusion -70	Tv -1 Pen drive - 1 Bala Boards - 5
Pune	Sara City Pune	Tv - 1 Bala Boards

1.3 Need for the Programme

India's rapid urbanisation has led to a significant increase in internal migration, with millions of families relocating to urban centres in search of employment opportunities. Among these are construction workers who often migrate seasonally, bringing their families along. ¹According to the Periodic Labour Force Survey (PLFS) data, the migration rate in India was 28.9% in 2020-21.

This transient lifestyle poses substantial challenges for their children, particularly in accessing consistent and quality education.

Children of migrant construction workers frequently face:

- **Disrupted Education:** Frequent relocations hinder continuous school enrolment, leading to learning gaps and increased dropout rates. Approximately ²80% of seasonal migrant children in seven Indian cities lacked access to education near worksites.

¹ Ministry of Statistics and Programme Implementation. (2024, September 23). Periodic Labour Force Survey (PLFS) – Annual Report [July 2023 – June 2024]. Press Information Bureau. <https://pib.gov.in/PressReleasePage.aspx?PRID=2057970>

² Kailash Satyarthi Children's Foundation. (2020). A study on access to education by children of migrant workers. <https://satyarthi.org.in/wp-content/uploads/2022/01/Access-to-Education-by-Children-of-Migrant-Workers.pdf>



- **Lack of Early Childhood Education:** The absence of stable early learning environments affects cognitive and social development during critical formative years.
- **Limited Access to Health and Nutrition Services:** Being outside the purview of local health systems, these children often miss out on essential health check-ups and nutritional support.
- **Exposure to Unsafe Environments:** Living on construction sites exposes children to hazardous conditions, affecting their overall well-being.
- **Social Exclusion:** Language barriers and lack of documentation often result in these children being excluded from formal education systems.

Recognising these challenges, the Pankh Project was conceptualised to provide a holistic solution. By establishing learning centres directly on construction sites, the programme ensures that children have access to safe, consistent, and quality early education. Additionally, by engaging with parents through awareness sessions on health, hygiene, and financial literacy, the project aims to create a supportive environment that fosters the overall development of these children.

1.4 Geographic Coverage

Since its inception, Project Pankh has been implemented across key urban construction hubs in India, targeting regions with high concentrations of migrant construction workers. The geographic selection has been guided by the prevalence of labour-intensive construction activity and the presence of large-scale project sites where workers often reside with their families.

During the assessment period (2022–2023), the programme operated in the following cities:



1.5 Alignment with SDGs

Sustainable Development Goal (SDG)	Relevant Targets	Alignment
 SDG 3: Good Health & Well-being	3.4: Reduce by one third premature mortality from non-communicable diseases through prevention, treatment, and promotion of mental health and well-being.	The community’s general health and well-being are enhanced by site workers participating in health and hygiene awareness training.
 SDG 4: Quality Education	4.1: Ensure all girls and boys have access to quality early childhood development, care, and pre-primary education. 4.2: Ensure all girls and boys have access to quality technical, vocational, and higher education.	Establishing learning centres for migrant workers’ children encourages the development of fundamental knowledge and abilities.
 SDG 5: Gender Equality	5.1: End all forms of discrimination against all women and girls everywhere.	Engaging the parents in awareness-sessions both parents empower both the mother and father and promotes gender equality in access to resources and education.
 SDG 8: Decent Work and Economic Growth	8.5: Achieve full and productive employment and decent work for all women and men.	By empowering site workers with financial literacy, the project improves their employability and financial security.
 SDG 10: Reduced Inequalities	10.3: Ensure equal opportunities and reduce inequalities of outcome, including by eliminating discriminatory laws.	By offering educational possibilities and family assistance, the project tackles the disparities that migrant worker children must contend with.
 SDG 11: Sustainable Cities and Communities	11.1: Ensure access for all to adequate, safe, and affordable housing and basic services.	By establishing learning centres on construction sites, communities become more resilient since children have safe places to play.



1.6 Alignment with National Policies

National policy	Description	Alignment
National Education Policy (NEP) 2020	The policy aims to make education more inclusive, equitable, and holistic.	Establishes Early Childhood Care and Education (ECCE) and focuses on foundational skills for children
The Right of Children to Free and Compulsory Education Act or Right to Education Act (RTE) 2009	Describes the modalities of the importance of free and compulsory education for children between 6 and 14 in India under Article 21A of the Indian Constitution.	The project provides free access to education for migrant children.
Integrated Child Development Services (ICDS) scheme	To improve the nutritional and health status of children in the age group of 0-6 years. to lay the foundation for proper psychological, physical and social development of the child.	This project also focuses on crucial topics such as health, hygiene that benefit the children and parents as well.
National Health Mission (NHM)	Provide affordable universal access to public health care services such as child and women's health, nutrition, immunisation, hygiene and sanitation.	Awareness sessions on health and hygiene for children and workers.

1.7. Alignment with CSR Policy

The **Project Pankh** aligns with **Schedule VII of the Companies Act (2013)** under the following sub-sections:

Sub-Section	Activities	Alignment
(ii)	Promoting education, including vocational skills.	This alignment underscores the project's commitment to enhancing educational opportunities for marginalised children

Ch 2: Assessment Methodology

2.1. Objectives of the Assessment

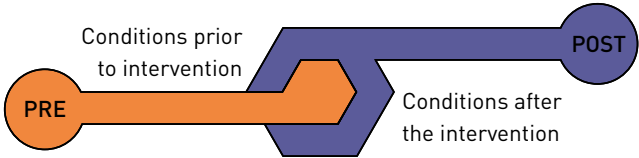
- Assess the impact of the programme in driving overall community development.
- Evaluation of the process employed and quality of implementation.
- Assess the risks and challenges faced during the project implementation and suggest best practices across the market.
- Provide actionable recommendations and suggestions for similar programmes in the future.

2.2 Theory of Change

S. No.	Activities	Outputs	Outcomes	Impact
1	Establishing Learning Centres	10 learning centres were established 332 students were enrolled in the learning centres - topics on foundational skills were covered 5 types of equipment were used in each centre to set up the infrastructure at the learning centres	- Increased participation at the learning centre and creche facility - Increased level of engagement of children in educational, activity sessions and creche facility - Improved quality of life of children enrolled in the learning centre	- Enhanced educational outcomes for children - Improved overall quality of life for men and women
3	Health and Hygiene Awareness Programme for Women Awareness Programme on Behavioural Change in Men Awareness and Counselling for Parents/Community on "Safety at Construction Sites"	- Awareness sessions on health & hygiene, Behavioural change, and safety at construction sites were conducted - A total of 210 workshops were conducted	- Increased participation in health camps and awareness drives - Increased participation of men in the awareness sessions - Increased participation of parents & community in the counselling & awareness sessions	

2.3. Approach and Methodology

Aligned with the study's objectives and key areas of focus, the evaluation design emphasises the primary goal of obtaining valuable insights. This section outlines the approach for creating and implementing a robust, adaptable, and results-driven evaluation framework.

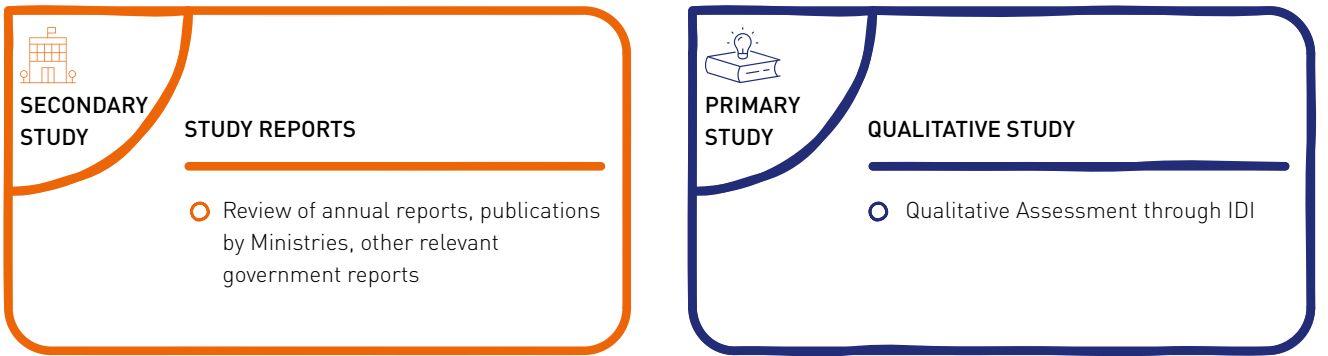




For impact assessment, CSRBOX adopted a pre-post-programme evaluation method in this study. This approach relies on the respondent’s ability to recall and report their experiences. Beneficiaries/respondents were asked to share their circumstances before and after the programme’s intervention. The differences observed helped to assess the extent to which the programme has contributed to improving the beneficiaries’ intended outcomes. However, it is important to note that while this method can offer insights into the programme’s role in enhancing living conditions, it may not entirely attribute all the changes solely to the programme, as external factors may also influence the positive outcomes. Therefore, the evaluation will primarily focus on the programme’s contribution, even though full attribution to the programme might not be possible.

The evaluation incorporates both retrospective and prospective perspectives. Strategic evaluations play a crucial role in gathering essential knowledge to support decision-making and actions that impact the achievement of planned objectives. The evaluation analysed both the programme’s processes and results, offering a data-driven assessment of its performance and outcomes.

To assess the project, a two-pronged approach to data collection was employed.



2.4 Sampling

The study employed a qualitative approach for the impact assessment of the project. It included the following Key stakeholders

- **Developers** of the sites where the learning centres and workshops were conducted.
- **Teachers** of the learning centres, who taught the foundational skills to the children of the construction workers

Stakeholders	Tool	No. of Interactions
Developer	IDI	1
Teachers	IDI	5

2.5. Assessment Framework

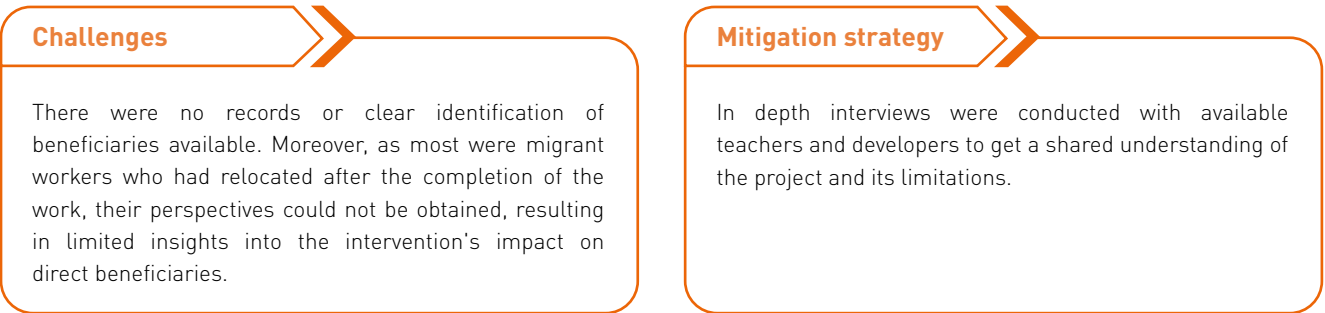
In line with the study’s goals aimed at assessing the project’s effectiveness, efficiency, impact, and sustainability, the evaluation will employ the IRECS Framework, which has outlined five evaluation criteria: **inclusiveness, relevance, expectation, convergence, and service delivery**. The IRECS framework hinges on the following pillars:



2.6 Ethical Considerations

- During qualitative data collection, team members adhered to ethical protocols by informing the stakeholders about the purpose of the study and obtaining their informed consent.
- Respondents were assured that their personal information would remain confidential and that the data collected would be used exclusively for research purposes.

2.7. Limitations





Ch 3 Key Impact Findings

Project Pankh aims to improve the quality of living of the community of construction workers. The following chapter explores the major impact findings, compiles insights from educators and developers across multiple learning centres and construction sites to understand the lived realities, pedagogical approaches, details of the workshop sessions, challenges, and overall impact of the programme on the community of the construction workers.

There are two major components of the Programme:

Learning Centres
for Children

Workshops for
Construction workers

I. Learning Centers

The primary aim of the learning centres was to foster story-based learning for the children of construction workers and develop their pre-cognitive, pre-reading, and pre-writing skills to ensure that these students continue with their education.

Under the Project, 10 centres were launched across the country at construction sites to cover children of workers across different geographies and give them the opportunity to continue their education, since the transience nature of work in their families disrupts their education flow, keeping them out of school for longer period of time.

Location	No. of Learning Centers	No. of Students	No. of Workers
PAN India: Jaipur, Hyderabad, Bangalore, Ahmedabad and Surat, Pune, Gurugram	10	332	2814

a. Teacher's Background and Motivation

- Educational background:** Through detailed conversations with the educators, it became evident that the teaching force at Project Pankh is composed of individuals from diverse academic and professional trajectories. Qualifications ranged from MBAs and B.Tech degrees to backgrounds in Accounts, Humanities, and Computer Training. Work experience spanned from two to ten years, reflecting a blend of early-career educators and those with more seasoned exposure to teaching and NGO-based interventions.
- Motivation behind joining the programme:** Most teachers articulated a strong intrinsic motivation to engage with social work and uplift marginalised children. Their decision to join Project Pankh was largely driven by a desire to contribute meaningfully to underserved communities, suggesting that the programme attracts individuals with a service-oriented mindset—a critical asset when working with vulnerable populations.

- Process of recruitment:** Recruitment into the programme appeared informal and organic. Many educators were introduced to the initiative through personal networks—former colleagues, friends, domestic helpers, or site supervisors—rather than formal advertisements. This points to the programme's reliance on trust-based social networks and community referrals to bring in motivated educators.

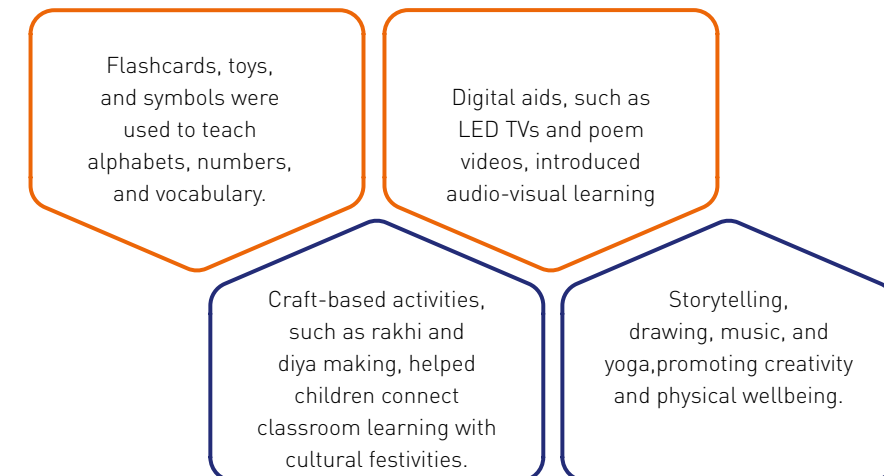


1. Learning centre at the construction site: Image provided by IIFL team

b. Teaching Pedagogy and Learning Environment

- Curriculum and Daily Activities:** As gathered from conversations with the teachers, the curriculum implemented across the centres was foundational, addressing the basic educational needs of children who often had little to no prior exposure to formal schooling. Subjects taught included **English, Math, Hindi, Environmental Science (EVS), and General Knowledge**. Teachers emphasised foundational literacy and numeracy while also integrating value education, such as **good manners and hygiene habits**.

Importantly, the pedagogy was highly adaptive and interactive. Educators used diverse tools to create engaging learning experiences:



Festive celebrations—like **Diwali, Raksha Bandhan, Independence Day, and Gandhi Jayanti**—were frequently cited as highlights that energised the children and made learning joyful. These events also helped integrate the cultural identities of the children into the learning space, fostering belonging and community connection.

"We try to make learning fun—through songs, games, craft. Sometimes children don't even realise they're learning".

-Sony Pandey, teacher, Pyramid Elite 86 Centre

c. Learning Spaces

- Learning Environment:** The physical infrastructure for learning under Project Pankh reflects a broad spectrum of adaptability and resourcefulness. In some locations, **2BHK flats** were repurposed into classroom spaces, offering a relatively structured environment with basic facilities. In other areas, **makeshift rooms** set up near construction sites functioned as learning centres. Educators acknowledged the benefit of having dedicated spaces for teaching, which allowed consistent engagement with students despite external constraints.
- Infrastructural Challenges:** Despite the availability of physical spaces, several challenges

impacted the quality of the learning environment. Teachers highlighted issues such as:

- Water stagnation around or within premises poses health and hygiene risks.
- Inadequate sanitation facilities are particularly problematic in makeshift setups.
- Faulty or unrepaired equipment, including LED TVs left dysfunctional for months, which hindered the integration of audio-visual aids in teaching. These conditions not only disrupted regular learning routines but also affected teacher and student morale. Addressing these infrastructural concerns is vital for creating a more conducive and dignified learning atmosphere.



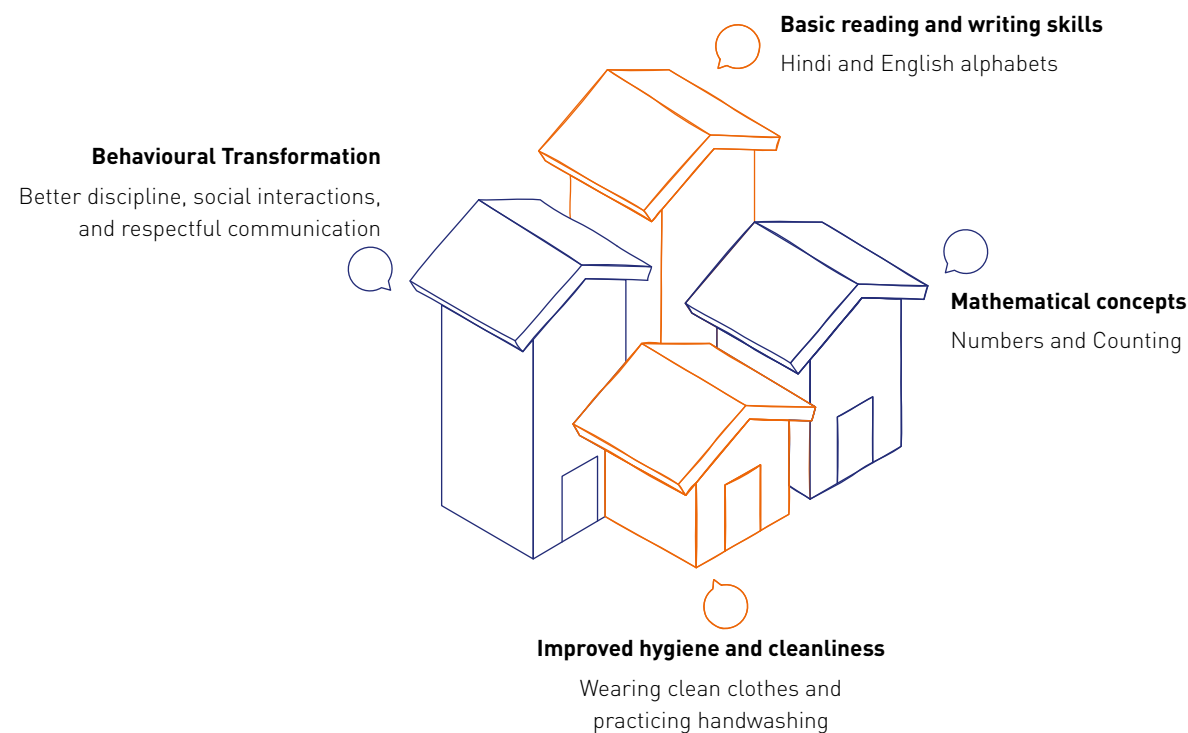
d. Student Profile and Learning Outcomes

- Demographics and Mobility: Through collective reflections shared by the educators, a common thread was the transient nature of the student population. As children of migrant construction workers, many were first-generation learners and came from families with little or no exposure to formal education. This translated into low initial literacy and behaviour readiness, including a lack of discipline or classroom familiarity.

“Some of the older kids now say they want to go to school. That’s a big change—before, many didn’t even know what school was.”

-Archana Kumari, teacher, GPL Centre

- Attendance Status: Attendance was erratic due to the frequent relocation of families, with some children staying for as little as three to four months. Despite these constraints, teachers noted significant progress over time in areas such as:



In some instances, children who started as shy or non-verbal began participating actively and even expressed interest in joining formal schools. These observations highlight the latent potential in these children, which can be unlocked through consistent, responsive teaching—even in short timeframes.

e. Parental and Community Engagement

Context-Specific Variability in Parental Engagement

Field discussions with teachers across various centres revealed a significant spectrum of parental involvement shaped by distinct socio-cultural and economic dynamics. While some centres demonstrated high levels of parental participation, others struggled with limited engagement. This variability underscores the need for localised engagement strategies that align with the unique social fabric of each community. A uniform model of community participation is insufficient; instead, tailored approaches are essential to ensure meaningful and sustainable involvement from parents and caregivers.

Gendered Nature of Participation

The gendered division of parental roles within the centres was reported. Fathers were primarily seen in supportive logistical functions such as dropping off or picking up children, while mothers, although initially less visible, gradually began to engage more deeply, particularly in discussions related to health and hygiene, highlighting the influence of traditional norms.

Children as Agents of Influence

The role of children as conduits of knowledge between the centres and their homes was visible to the teachers. They reported that children regularly shared learnings, from proper handwashing techniques to menstrual hygiene awareness, with family members. The knowledge transfer has the potential to change household behaviours and attitudes. The observation positions children not just as beneficiaries of educational interventions but as active agents of change, capable of catalysing shifts in community health practices and awareness.

Shifts in Maternal Engagement

A noteworthy impact was reported in maternal engagement, particularly through the influence of adolescent girls attending menstrual hygiene sessions. In several instances, these girls encouraged their mothers to initiate conversations with teachers, often marking their first direct engagement with the centres. These interactions led to a redefinition of mothers’ roles within the learning ecosystem—from passive caregivers to curious participants and informed contributors. This shift reflects the centres’ evolving function as trusted spaces not only for child development but also for adult learning and community support.

Leveraging Informal Channels for Lasting Impact

Despite inconsistencies in formal outreach mechanisms targeting adults, the centres successfully fostered meaningful community impact. This was achieved by leveraging informal, everyday interactions, particularly those between children and their parents. These interactions facilitated indirect but durable engagement pathways, enabling households to adopt improved practices even without structured adult-focused programming.

Ultimately, the centres evolved into more than just places of early education—they became anchors for community transformation.

II. Workshops

Awareness sessions or workshops with the construction workers aimed to educate them on different topics around health and hygiene, safety precautions at construction sites etc.

Total No. of Workshops	Major topics discussed
210	Behavioural Change in Men Health and Hygiene for Women Safety at Construction Sites

a. About the Workshops

- Space of the workshops:** The workshops were typically hosted in on-site, readymade flats, which ensured ease of access and allowed for flexibility around workers’ schedules. Though not all developers were directly involved in daily implementation, the regularity of the sessions, conducted every day except Sundays, was a consistent feature.



2. During the classes at the learning centres- image provided by IIFL team

- Participation at the workshops:** The inclusivity of these workshops, open to both male and female workers, was a notable strength. They promoted a gender-balanced approach in a predominantly male-dominated workspace. However, participation dynamics revealed deeper layers: younger workers showed more enthusiasm, hinting at a generational shift in openness to learning, health consciousness, and personal development. Older workers, perhaps shaped by entrenched survival-focused routines, participated less. This variation underscores the importance of designing age-sensitive engagement strategies to increase the participation of workers across age groups.



b. Impact on Behavioural Changes

Changing behaviour among migrant workers is difficult due to their mobile lifestyle, but early signs show positive shifts in hygiene, sanitation, and health awareness. These improvements are supported by Behaviour Change Communication (BCC) efforts that includes workshops on such areas. By making information easy to understand and relevant to their daily lives, BCC has helped workers and their families adopt better habits and become more aware of health risks.

Adoption of Hygiene and Sanitation Practices by Workers



Women as Frontline Agents of Change



Usage of Appropriate WASH Practices:

- **Increased Use of Facilities:** There was a visible increase in the use of designated washroom facilities by workers post-workshop, as reported by the developers; a shift from earlier practices where such infrastructure was either underutilised or neglected.
- **Awareness of Cleanliness:** Workers began paying greater attention to personal hygiene, including handwashing after work and before meals, maintaining clean clothes, and keeping sleeping spaces tidier.

Women as Frontline Agents of Change

- **Uptake and Practice:** Female workers were especially responsive to sessions on health, hygiene, and sanitation. They not only implemented what they learned but also began to influence household behaviour.
- **Knowledge Transfer to the Household:** Women shared hygiene practices with family members, especially in areas such as menstrual hygiene, food storage, and drinking water safety.
- **Emerging Health Advocates:** Some women began advocating for improved conditions (e.g., clean toilets and safe water access) at their work and living sites, suggesting an emerging role as informal health leaders within their communities.

“Earlier, workers avoided using the provided toilets. Now, after attending the sessions, more of them regularly use the washrooms, particularly the younger ones.”

-Dhruv Dandia, Developer

c. Impact on Safety Culture

Workshops covering site-specific safety themes—use of safety kits, ladder safety, and electrical precautions—introduced a culture of safety that was previously absent or informally maintained.

- **Embedding a Safety Culture:** The workshops introduced workers, many of whom had never received formal training, to essential safety practices such as using helmets, handling ladders, and managing electrical risks. While behavioural shifts were gradual and sometimes inconsistent, the repeated exposure to safety concepts was impactful.
- **Change in Safety Behaviours:** Site developers observed marginal but noticeable improvements in worker behaviour, such as more frequent helmet use and cautious ladder handling. However, the absence of monitoring meant that the consistency of adoption remained low. The workshops highlighted the importance of continuous reinforcement to overcome deeply embedded habits.
- **Impact on Child Safety:** One of the most impactful outcomes reported was a reduction in child safety risks on-site. Workers became more mindful of their children's exposure to

hazardous environments, often choosing to send them to learning centres instead. This shift was reinforced by the availability of structured, safe learning spaces, indirectly fostering a more secure overall worksite environment.

d. Educational Influence and Aspirational Shifts

- **Workshops served as a bridge between awareness and aspirations:** For many first-generation learners' families, the concept of formal education had been distant or undervalued due to economic pressure or limited exposure. Such workshops generated awareness regarding the importance of education, leading to considering schooling as a need for children.
- **Parents began viewing education as a pathway to upward mobility:** Financial literacy sessions undertaken have helped families link education to long-term security and stability, giving them information about loans, bank accounts, savings, etc.
- **Shifting enthusiasm in children:** Increased engagement in learning activities by children further motivates parents to maintain their participation. Teachers, often acting as mentors, helped build relational trust with families,

encouraging more openness to the idea of long-term education.



3. Another learning centre- image provided by IIFL team

e. Women's Issues and Workshop Gaps

The health and hygiene workshops, though well-intentioned and moderately effective, operated within a structurally unequal environment. Women faced significant barriers in applying the knowledge gained due to a lack of access to clean and private toilets, persistent wage disparities, and poor housing conditions. These limitations highlighted the disconnect between behavioural interventions and the infrastructural realities that shape everyday choices and capabilities. Without addressing these foundational inequalities, the scope of such interventions remained constrained.



Major Findings based on the IRECS Framework

Parameter	Assessment from the Study
Inclusiveness	- The project aimed at the holistic development of vulnerable migrant construction worker families by addressing their educational, health, and social needs through an integrated approach. - With a strong focus on early childhood education, it created safe, play-based learning environments to support the children. - Complementing this, a series of workshops on health, hygiene, safety, and gender sensitivity were conducted, encouraging active participation across gender and age groups, with particularly strong engagement from women and younger workers, thereby fostering inclusive and community-driven change.
Relevance	- The Project addresses the pressing and often overlooked needs of informal labour communities, who face significant behavioural challenges, a lack of awareness around WASH (Water, Sanitation, and Hygiene) practices, education, and financial literacy, resulting in poor health and limited social mobility. - The migratory lifestyle further disrupts any continuity in their children’s schooling, making sustained education difficult.
Expectations	- The learning centres offered safe, accessible, and consistent education to the children, reducing the risks of accidents on site. - The children also progressed in basic English speaking and writing skills, numeracy, communication, and discipline etc, as well as acting as catalysts of behavioural changes in their households. - Through the workshops, the workers were empowered with WASH behaviours, gender sensitivity issues as well as safety precautions in the site, reducing the risk of on-site accidents.
Convergence	The project aligns with the following-  National Priorities: - National Education Policy (NEP) 2020 - National Urban Health Mission (NUHM) - National Policy on Safety, Health and Environment at Workplaces
Service Delivery	- Established 10 PAN-India learning centres, creating safe and structured support spaces for migrant children. - Conducted 210 on-site workshops, enhancing knowledge and shifting behaviours around health and gender. - Teachers effectively delivered educational content using play-based, culturally relevant approaches.

Ch 4: Recommendations

The project concluded after delivering a meaningful and impactful intervention aimed at creating lasting change within the community of construction workers. The following section outlines the key limitations encountered during implementation and offers recommendations for strengthening future efforts should a similar initiative be scaled or replicated in other locations.

Current Scenario	Proposed Recommendation
Inconsistent Participation Across Age and Gender While the workshops were open to all, younger workers participated more actively than older ones, and participation levels varied by gender. Older male workers were less engaged, and women faced structural barriers despite targeted sessions.	Age-tailored content and facilitation styles should be introduced—e.g., more interactive methods for younger participants and experience-sharing formats for older ones. Women-only sessions with flexible timings (aligned with childcare or cooking hours) can boost female participation.
Limited Long-term Behavioural Change Without Infrastructure Support Though hygiene and safety messages were absorbed, their sustained adoption was restricted by inadequate infrastructure—unclean toilets, lack of sanitation products, and unsafe living conditions.	- Pair behavioural workshops with tangible infrastructure upgrades—portable clean toilets, soap/water dispensers, and better living quarters. Periodic sanitation drives and hygiene kit distribution could reinforce messaging with practical tools.
Modest Improvements in Safety Practices Despite repeated safety training, workers’ day-to-day safety practices improved only marginally, mainly due to lack of enforcement and the informal culture around safety on-site.	- Introduce a “Safety Compliance Officer” or Peer Safety Monitor from within the labour force to monitor adherence informally. - Use visual nudges—posters, floor markings, or ‘safety corners’—at worksites to reinforce messages. - Offer incentive-based models, such as rewards for teams that maintain safety protocols consistently.
Structural Gender Inequities Undermining Women’s Engagement Although health and hygiene sessions for women were appreciated, larger issues like wage disparity, sanitation access, and safety continued to limit their full participation and impact.	Introduce women-led committees to advocate for their needs and liaise with developers and facilitators.
Limited Educational Linkages While education was promoted in the workshops, there was no formal pathway linking workers’ children to consistent schooling, especially for first-generation learners.	- Facilitate linkages with nearby government schools or NGOs that can provide formal enrolment and academic support. - Organise Parent-Teacher interactions or aspirations-building sessions where workers hear about the value of education from relatable success stories.



Annexure II (a)

Disclosure Pursuant to Section 62(1)(b) of the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014

Employee Stock Option Scheme (ESOP)- Disclosure for the Financial Year Ended March 31, 2025

The company has introduced the "IIFL HFL ESOP - 2022" plan to attract, retain and motivate key talent by offering stock options as a reward for exceptional performance. This plan was initially approved by the shareholders and to ensure its effectiveness and alignment with company goals, several amendments were made to the plan with subsequent shareholder approvals.

Sl. No.	Particulars	Disclosure
1.	Options granted	2,45,788 (Granted during FY 25)
2.	Options vested	58,470
3.	Options exercised	0
4.	The total number of shares arising as a result of exercise of option	0
5.	Options lapsed	31,979
6.	The exercise price	1,338.39
7.	Variation of terms of options	No variation in the terms of options granted**
8.	Money realized by exercise of options	0
9.	Total number of options in force	4,05,846
10.	Employee wise details of options granted to:-	
	(i) Key managerial personnel;	1) Mr. Monu Ratra (CEO & Whole-time Director)- 2,68,823 2) Mr. Sumit Jhunjunwala (Chief Financial Officer) – 6,000 3) *Mr. Gaurav Seth(Chief Financial Officer)- 26,882 4) Mr. Ajay Jaiswal (Company Secretary) – 11,260
	(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	0
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	0

*Note: Resigned w.e.f. Feb 11, 2025, out of granted options only 3,360 (Time-based options) were vested

**Note on Amendment in IIFL HFL ESOP Plan 2022:

The IIFL HFL ESOP Plan 2022, amended vide shareholders resolution dated November 21, 2024, authorizing the Nomination and Remuneration Committee(NRC) to ascertain the eligibility criteria of the employee to grant option(s), to administer the plan and to further delegate the authority to the Management or to any other Committee of the Company constituted by the board with a view to administer and supervise the ESOP Plan of the Company.

Annexure II (b)

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Requirements	Disclosure
1	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year.	Executive Director & CEO Mr. Monu Ratra 77.89x Non- Executive Director Mr. Srinivasan Sridhar - Ms. Mohua Mukherjee - Mr. Venkataramanan Anantharaman - Mr. Mathew Jospeh - Mr. Ramakrishnan Subramanian - Mr. Mohan Sekhar - Mr. Kabir Mathur - Mr. Nirmal Jain - Mr. Venkataraman Rajamani -
2	The percentage increase in remuneration of each director, CFO, CEO and CS in the financial year.	Executive Director & CEO Mr. Monu Ratra 11% Non- Executive Director Mr. Srinivasan Sridhar - Ms. Mohua Mukherjee - Mr. Venkataramanan Anantharaman - Mr. Mathew Jospeh - Mr. Ramakrishnan Subramanian - Mr. Mohan Sekhar - Mr. Kabir Mathur - Mr. Nirmal Jain - Mr. Venkataraman Rajamani - KMPs other than Directors *Mr. Gaurav Seth- Chief Financial Officer 4% Mr. Sumit Jhunjunwala- Chief Financial Officer NA Mr. Ajay Jaiswal- Company Secretary 16%
3	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year increased by 9%. The calculation of the % increase in median remuneration is done based on comparable employees. Due to this, the employees who were not eligible for any increment have been excluded.
4	The number of permanent employees on the rolls of the Company	The Company had 4,562 employees on the rolls of the company as on March 31, 2025.
5	Average percentile increases already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for an increase in the managerial remuneration.	Not applicable to the Company as all the employees are under managerial roles.
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

*Note- Resigned w.e.f. February 11, 2025 and Mr. Sumit Jhunjunwala appointed w.e.f. February 12, 2025

Note: In line with the Nomination and Remuneration Policy of the company and pursuant to the shareholders approval dated June 20, 2024, commission to Non-Executive Directors (except Mr. Nirmal Jain, Mr. Rajamani Venkataraman and Mr. Kabir Mathur) of the Company amounting to ₹ 1,20,06,850 is proposed to be paid for FY 2024-25.

The company paid ₹ 60,40,000 as Sitting fees to its Non - Executive Directors (except Mr. Nirmal Jain, Mr. Rajamani Venkataraman and Mr. Kabir Mathur) during FY 2024-25 The complete details are mentioned in the Corporate Governance Report.

For and on behalf of the Board of Directors

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai
Date: May 06, 2025

Venkataraman Rajamani
Director
DIN: 00011919
Place: Mumbai
Date: May 06, 2025



Annexure III

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
IIFL Home Finance Limited
(CIN: U65993MH2006PLC166475)
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area,
Wagle Estate, Thane, Maharashtra - 400604

We have conducted the secretarial audit of the compliances of applicable statutory provisions and in adherence to good corporate practices by **IIFL Home Finance Limited** (hereinafter referred to as “**the Company**”), having its Registered Office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B -23, MIDC, Thane Industrial Area, Wagle Estate Thane, Maharashtra – 400 604 and Corporate Office at Plot No. 98, Udyog Vihar, Phase IV, Gurgaon, Haryana-122 015. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information/explanation provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering financial year ended **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records as maintained by the Company for the Audit Period, according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of compliances relating to Foreign Direct Investment. However, during the period under review, there were no transactions for Overseas Direct Investment and External Commercial Borrowings.

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

- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review];**
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review];**
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[The Company has introduced Employee Stock Option Plan. However, being a Debt listed Company, the regulations are not applicable since the shares of the Company are not listed on any stock exchange];**
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[“SEBI NCS Regulations”].**
- Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of the securities issued;
- Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review];**
- The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review].**

Annexure III (Contd..)

VI. The Company is Housing Finance Company registered with National Housing Bank (NHB). Further, the Company is also registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate Agent. The Company ensures compliance with all applicable regulations, circulars and directions issued from time to time by the NHB, Reserve Bank of India (RBI) and IRDAI.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us by the officers and management of the Company. To the best of our judgment and understanding of the applicability of the different enactments relevant to the Company there are adequate systems and processes in the Company to monitor and ensure compliance with applicable Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in our audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

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

- Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, the stricter applicability of the Secretarial Standards is to be observed by the Company.
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**)
- General Circular no. 14/2020 dated April 08, 2020, General Circular no. 17/2020 dated April 13, 2020, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular no. 2/2022 dated May 05, 2022, General Circular no. 10/2022 dated December 28, 2022, General Circular no. 09/2023 dated September 25, 2023 and General Circular no. 09/2024 dated September 19, 2024 read with issued by the Ministry of Corporate Affairs to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors during the period were carried out in compliance with the provisions of the Act and SEBI Listing Regulations.
- Adequate notices were given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all the directors except where the meetings

were held at a shorter notice. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- As per the minutes of the meetings of the Board and Committees of the Board, duly signed by the Chairman, all the decisions of the Board and Committees of Board were adequately passed and no dissenting views have been recorded.
- As informed by the Management, BSE Limited (BSE) has levied the fines on the Company for intimation of record date under Regulation 60(2) of SEBI Listing Regulations with respect to ISIN listed on January 05, 2022. The Company has provided the required clarifications. Based on the submissions made, BSE has waived the fines imposed, as communicated via its email dated February 7, 2025.
- The Company has received a Show Cause Notice from Department of Debt and Hybrid Securities, Supervision, Enforcement and Complaints Division of SEBI for violation of Regulation 31 of the SEBI NCS Regulations regarding additional interest incentives offered to certain investors in the Tranche II Prospectus dated December 03, 2021 filed for Public Issue. The Company has provided the clarifications within the prescribed timeline. However, SEBI subsequently issued a Settlement Notice dated June 14, 2024, proposing a settlement amount of ₹ 6,25,000. The Company has paid the settlement amount within the stipulated period to conclude the matter.

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

We further report that the Company has complied with the provisions of Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading Regulations), 2015 with respect to maintenance of Structural Digital Database to the extent applicable.

As per the records, the Company has filed returns, documents and resolutions as were required to be filed with the Registrar of Companies.

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

We further report that during the audit period the Company has undertaken following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

- Mr. Srinivasan Sridhar (DIN: 00004272) has been appointed as an Additional Director (Non-Executive Director) on the Board of the Company with effect from April 01, 2024.



Annexure III (Contd..)

Annexure

- Further, his appointment was confirmed by the Shareholders in an Annual General Meeting ("AGM") held on June 20, 2024.
- Mr. Ramakrishnan Subramanian (DIN: 02192747) has been appointed as an Additional Director (Independent Director) by the Board of Directors for a term of five years with effect from April 01, 2024. Further, his appointment was confirmed by the Shareholders in AGM held on June 20, 2024.
 - Mr. Mohan Sekhar (DIN: 00032093) has been appointed as an Additional Director (Independent Director) by the Board of Directors for a term of five years with effect from June 30, 2024. Further, his appointment was confirmed by the Shareholders in an Extra Ordinary General Meeting ("EGM") held on September 26, 2024.
 - Mr. Sumit Jhunjhunwala was appointed as Chief Financial Officer with effect from February 12, 2025 as his earlier incumbent Mr. Gaurav Seth has stepped down with effect from February 11, 2025.
 - The Company has approved the appointed of M/s. Sundaram & Srinivasan, Chartered Accountants (ICAI Firm Registration No.004207S) as one of the Joint Statutory Auditors to hold office for a period of 3 (three) years from Financial Year 2024-25 to Financial Year 2026-27 in an AGM held on June 20, 2024 on account of completion of term of his earlier incumbent.
 - The Members of the Company had approved amendments in the IIFL- HFL ESOP PLAN-2022 (herein after referred as "ESOP Plan") by way of passing a Special Resolution in the EGM held on November 21, 2024.
 - The Board of Directors have accorded their approval to issue and allot listed, rated, secured, redeemable, non-convertible debentures ("NCDs") aggregating to ₹ 3,000/- Crore (Indian Rupees Three Thousand Crores) under a

Prospectus/ Shelf and Tranche Prospectus structure in one or more tranches including green shoe option, if any, through Public Issue. The Finance Committee, (through powers delegated by the Board) has allotted 38,03,495 (Thirty Eight lakh Three Thousand Four Hundred and Ninety Five) Secured Redeemable Non-Convertible Debentures (SNCDs) of ₹ 1,000/- each (Indian Rupees One Thousand each) for cash aggregating to ₹ 3,80,34,95,000/- (Indian Rupees Three Hundred Eighty Crore Thirty Four Lakh Ninety Five Thousand only), on December 26, 2024.

- The Board of Directors have accorded their approval to issue and allot offer, Secured /Unsecured/ Listed/ Unlisted/ Rated/ Unrated / Non-Convertible/ Market Linked/ Subordinated Debt/ Perpetual Debentures/ Fixed Maturity Debentures, aggregating to ₹ 6500/- Crore (Indian Rupees Six Thousand Five Hundred Crores) on Private Placement basis during the financial year 2025-2026, in one or more tranches.
- The Finance Committee has allotted 25,000 (Twenty Five Thousand) Secured, Rated, Listed, Redeemable Non-Convertible Debentures (SNCDs) of ₹ 1,00,000/- each (Indian Rupees One Lakh each) for cash at par aggregating to ₹ 250,00,00,000/- (Indian Rupees Two Hundred and Fifty Crore only), 5,000 (Five Thousand) Secured, Rated, Listed, Redeemable Listed Non-Convertible Debentures (SNCDs) of ₹ 1,00,000/- each (Indian Rupees One Lakh each) for cash at par aggregating to ₹ 50,00,00,000/- (Indian Rupees Fifty Crore only) and 25,000 (Twenty Five Thousand) Secured Rated, Listed, Redeemable Non-Convertible Debentures (SNCDs) of ₹ 1,00,000/- each (Indian Rupees One Lakh each) for cash at par aggregating to ₹ 2,50,00,00,000/- (Indian Rupees Two Hundred and Fifty Crore only) on private placement basis on October 15, 2024, January 28, 2025 and February 06, 2025 respectively.

For **RMG & Associates**
Company Secretaries
Peer Review No. 6403/2025
Firm Registration No. P2001DE016100

Place: New Delhi
Date: May 06, 2025
UDIN: F010098G000274615

CS Sachin Khurana
Partner
FCS:10098; C.P. No.:13212

To,
The Members
IIFL Home Finance Limited
(CIN: U65993MH2006PLC166475)
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area,
Wagle Estate, Thane, Maharashtra - 400604

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2025 is to be read along with this letter:

Management's Responsibility

- It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

Auditor's Responsibility

- Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produced before us.
- We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- We have conducted online verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For **RMG & Associates**
Company Secretaries
Peer Review No. 6403/2025
Firm Registration No. P2001DE016100

Place: New Delhi
Date: May 06, 2025
UDIN: F010098G000274615

CS Sachin Khurana
Partner
FCS:10098; C.P. No.:13212

Note: This report is to be read with 'Annexure' attached herewith and forms an integral part of this report



Annexure IV

IIFL HOME FINANCE LIMITED

Related Party Transaction Policy

I. Objective

IIFL Home Finance Limited ("the Company") is committed for upholding the highest standards of ethics and integrity, consistently applying these principles across all aspects of its business operations.

The Company ensures that all transactions with the related parties are properly identified, reviewed and approved pursuant to the applicable law. This policy applies to any transaction wherein the Company is a participant and the Related Party has or will have a direct or indirect material interest in the transaction. The provisions of this Policy may be amended at any time and is subjected to further guidance from the Audit Committee/ Board of Directors.

II. Guiding Act/Regulations/Rules

- The Companies Act, 2013 and rules made there under
- SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulation") as amended from time to time
- Ind AS - 24

III. Definitions

- "Arm's Length transaction"** means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest, as defined in explanation (b) to Section 188 (1) of the Companies Act.
- "Audit Committee"** or **"Committee"** means Committee of the Board of Directors of the Company constituted under the provisions of the Companies Act, 2013.
- "Board"** means the Board of Directors of the Company.
- "Control"** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- "Key Managerial Personnel"** means key managerial personnel as defined under the Companies Act, 2013
- "Material Related Party Transaction"** mean transactions as defined under Regulation 23(1), 23(1A) and 62K of Listing Regulations
- "Material Modification"** Material modification will mean and include any modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

(viii) **"Senior Management"** shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors, by the listed entity."

(ix) **"Policy"** means the Policy on Related Party Transactions

(x) **"Related Party shall have"** the same meaning as defined under Regulation 2(1)(zb) of Listing Regulation and sub-section (76) of Section 2 of the Companies Act, 2013 and applicable Accounting Standard which is defined as follows:

Related Parties under Section 2(76) of the Companies Act:

- A director or his relative;
 - A key managerial personnel or his relative;
 - A firm, in which a director, manager or his relative is a partner;
 - A private Company in which a director or manager or his relative is a member or director;
 - A public Company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid up share capital ;
 - Any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
 - Any person on whose advice, directions or instructions a director or manager is accustomed to act;
- Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity.
- Any body corporate which is:
 - a holding, subsidiary or an associate company of the Company;

Annexure IV (Contd..)

- a subsidiary of a holding Company to which it is also a subsidiary; or
- an investing company or the venturer of the Company.

Explanation – For the purpose of this clause, "the investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

- A director other than an independent director or key managerial personnel of the holding company or his relative.

Related Parties under regulation 2(zb) of Listing Regulations

"related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

"Provided that:

- any person or entity forming a part of the promoter or promoter group of the listed entity;
 - or
 - any person or any entity, holding equity shares of ten per cent or more in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party;"
- 'Relative'** has the same meaning as described in the Companies Act, 2013 and rules prescribed there under and as per Regulation 2(1)(zd) of the Listing Regulations, which is defined as follows:
 - They are members of a Hindu Undivided Family;
 - They are husband and wife; or
 - A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-
 - Father including step father;
 - Mother including step mother;
 - Son including step son;
 - Son's Wife;

- Daughter;
- Daughter's Husband;
- Brother including step brother; and
- Sister including step sister

As per Rule 3 of the Companies (Specification of definitions details) Rules, 2014,

"related party" - For the purposes of sub-clause (ix) of clause (76) of section 2 of the Act, a director other than an independent director or key managerial personnel of the holding company or his relative with reference to a company, shall be deemed to be a related party.

(xii) **Related Party Transactions (RPT):** following shall mean related party transactions:

- "Related Party Transactions"** or **"RPTs"** means transactions as given under Section 188 of the Companies Act, 2013 including Rules thereof and as defined in Regulation 2(1)(zc) of the Listing Regulations.
- As per Section 177 of the Companies Act, 2013 and Rules framed thereunder the approval of Audit Committee is required for any transactions of the Company with Related Parties including any subsequent material modification thereof. Further, the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions, as may be required under the Companies Act, 2013 and Rules framed thereunder, Listing Regulation, RBI Directives and other applicable law.

Note: Any definition not mentioned above shall have the same meaning as defined under the Companies Act, 2013, Listing Regulations and applicable Accounting Standard. In case of any conflict between the applicable meanings assigned to such term under the Act and Listing Regulations, the term shall be interpreted in such manner that ensures compliance with both the Act and Listing Regulations.

IV. Compliances/Approvals/Processes with Respect to Related Party Transactions

In compliance and as provided in Section 177, 188 of the Companies Act, 2013 and the Listing Regulation and other applicable provisions, the following process is put in place, the following process is put in place:



Annexure IV (Contd..)

A. Approval of the Audit Committee

- All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the company. Provided that only those members of the audit committee, who are independent directors, shall approve related party transactions.
- All related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the Listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover, as per the last audited financial statements of the listed entity;
- All related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent. of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:
 - The Audit Committee lays down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the company and such approval shall be applicable in respect of transactions which are repetitive in nature.
 - while granting omnibus approval, the Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company;
 - Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 1 crore per transaction.

- Audit Committee shall review, atleast on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.
- Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- All material related party transactions and subsequent material modifications as defined by the audit committee shall require prior No-Objection Certificate from the Debenture Trustee and the Debenture Trustee shall in turn obtain No-Objection from the debenture holders who are not related with the Issuer and hold atleast more than fifty percent of the debentures in value, on the basis of voting including e-voting.
- After obtaining approval of the debenture holders, approval of the shareholders through resolution shall be obtained.

For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders and No-objection Letter from Debenture Trustee of the listed subsidiary, in the manner as specified in regulation 62K of listing regulations, shall be obtained.

Provided that the requirements specified under this sub-regulation shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved

Annexure IV (Contd..)

B. Approval of the Board

Related Party Transactions as defined under Section 188 of Companies Act, 2013 which are not in ordinary course of business and/or not on arms length basis or any subsequent modification thereto, will be placed before the Board for its approval.

C. Approval of Shareholders

All Material Related Party Transactions and any subsequent material modification as defined above shall require prior approval of the shareholders through ordinary resolution. However, prior approval of shareholders of the Company shall not be required for such cases as may be prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended or as notified by any regulatory authority.

Further, all Material Related Party Transaction(s) and subsequent Material Modification(s), to which the subsidiary of the Company is a party but the Company is not a party, unless such transaction is exempt under Listing Regulations, shall require prior approval of the shareholders of the Company. However, prior approval of shareholders of the Company shall not be required for such cases as may be prescribed under the Regulations as amended from time to time

D. Materiality Threshold

Regulation 23 of the SEBI Listing Regulations requires a company to provide materiality thresholds for transactions beyond which approval of the shareholders through resolution will be required and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not. The Company has fixed its materiality threshold at 10% and for the brand usage or royalty at 5% of the annual consolidated turnover of the company as per last audited financial statements of the company for the purpose of Regulation 23(4) of the SEBI Listing Regulations.

E. Review of RPTs by Audit Committee

The audit committee shall review on a quarterly basis, the details of related party transactions entered into by the company pursuant to each of the omnibus approvals given.

F. Disclosure

- Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.

The Company shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the SEBI from time to time and publish the same.

V. Criteria/Documents/Process for all Transactions with Related Parties

- For all the transactions, due documentation by way of contract/agreement/ bills/invoices/ should be in place.
- All the related party transactions shall be subject to the applicability, limits, enablement and other conditions as prescribed under the applicable Acts, Rules, Regulations and circulars and guidelines of Regulatory authorities including RBI, NHB, SEBI, MCA, Income Tax, etc.
- In case of infrastructure and common sharing arrangement, the terms of arrangement including the nature and quality of services, consideration and other terms and conditions shall be as comparable with the terms if availed from the market/third parties.
- In case of purchase/ sale of fixed assets or other assets, the same shall be at market prices or per the valuer certificate.
- Related Party Transaction shall be approved after assessing all material terms and conditions of the transaction and ensure that the terms are comparable with the market rates/practices at the particular point of time and on arms length basis. The following information will be taken into account when assessing a Related Party Transaction:
 - The terms of such transaction;
 - The Related Person's interest in the transaction;
 - The purpose and timing of the transaction;
 - the nature of the Company's participation in the transaction;
 - If the transaction involves the sale of an asset, a description of the asset, including date acquired and costs basis;
 - Information concerning potential counterparties in the transaction;
 - Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction and
 - Any other relevant information regarding the transaction as per the regulatory guidelines



f) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting, should be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into. If the said ratification is not done such contract or arrangement shall be voidable at the option of the Board;

➤ **Amendments to the Policy**

The Board shall review and amend this Policy as and when required and as per RPT Provisions. If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provision

Annexure V

Report on Corporate Governance

Company's Philosophy on Code of Governance

IIFL Home Finance Limited puts a strong emphasis on corporate governance and ethically sound practices that build trust and transparency between our business and all stakeholders. We regard our stakeholders as invaluable partners in our journey and work to ensure their wellbeing, regardless of market or economic fluctuations. Our dedication to transparency and providing timely, precise data regarding our management and organizational structure has enhanced our reputation. This has enabled us to draw in the best people and resources to make our objectives, both short and long-term, into a workable business plan. We believe that strong governance practices are essential for fostering investor confidence, maintaining compliance with legal and regulatory requirements and driving long-term growth. The Company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency. We believe that our Company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy.

Over the years, your Company has complied with the Companies Act, 2013 (the "Act"), SEBI Regulations, RBI/NHB/IRDAI Directions/ Circulars, IND-AS (Indian Accounting Standards), Secretarial Standards, etc., Your Company's Corporate Governance framework ensures that it makes timely and appropriate disclosures and shares accurate information with its stakeholders to make an informed decision. Your Company makes all efforts to comply with such standards. Your Company firmly believes that Corporate Governance is an ever-evolving journey, rather than a mere destination. This is an ongoing

process, as your Company continues to strive for excellence in creating sustainable value. Your Company's efforts in this regard are reflected in this Report, where the Company has outlined multiple initiatives to sustain the highest standards of governance. The Company has adopted a Code of Conduct for all the members of the Board and Senior Management in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company's corporate governance philosophy has been further strengthened through Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Chapter VA and Schedule V of SEBI Listing Regulations, as applicable, with regard to corporate governance.

1) **Board of Directors**

Composition of the Board of Directors

The Company has an adequate mix of Board, comprising Executive & Non-Executive Directors. The Non-Executive Directors include Independent Directors. Independent Directors represent 50% of the total strength of the Board as required under the Act and the SEBI Listing Regulations. The Board provides leadership, strategic guidance and discharges its fiduciary duties by safeguarding the interests of the Company and its stakeholders. The Independent Directors are eminent people with proven records in diverse areas. The Directors are committed to the highest standards of corporate governance and ensure that sufficient time was spent on matters involving governance and of strategic importance.

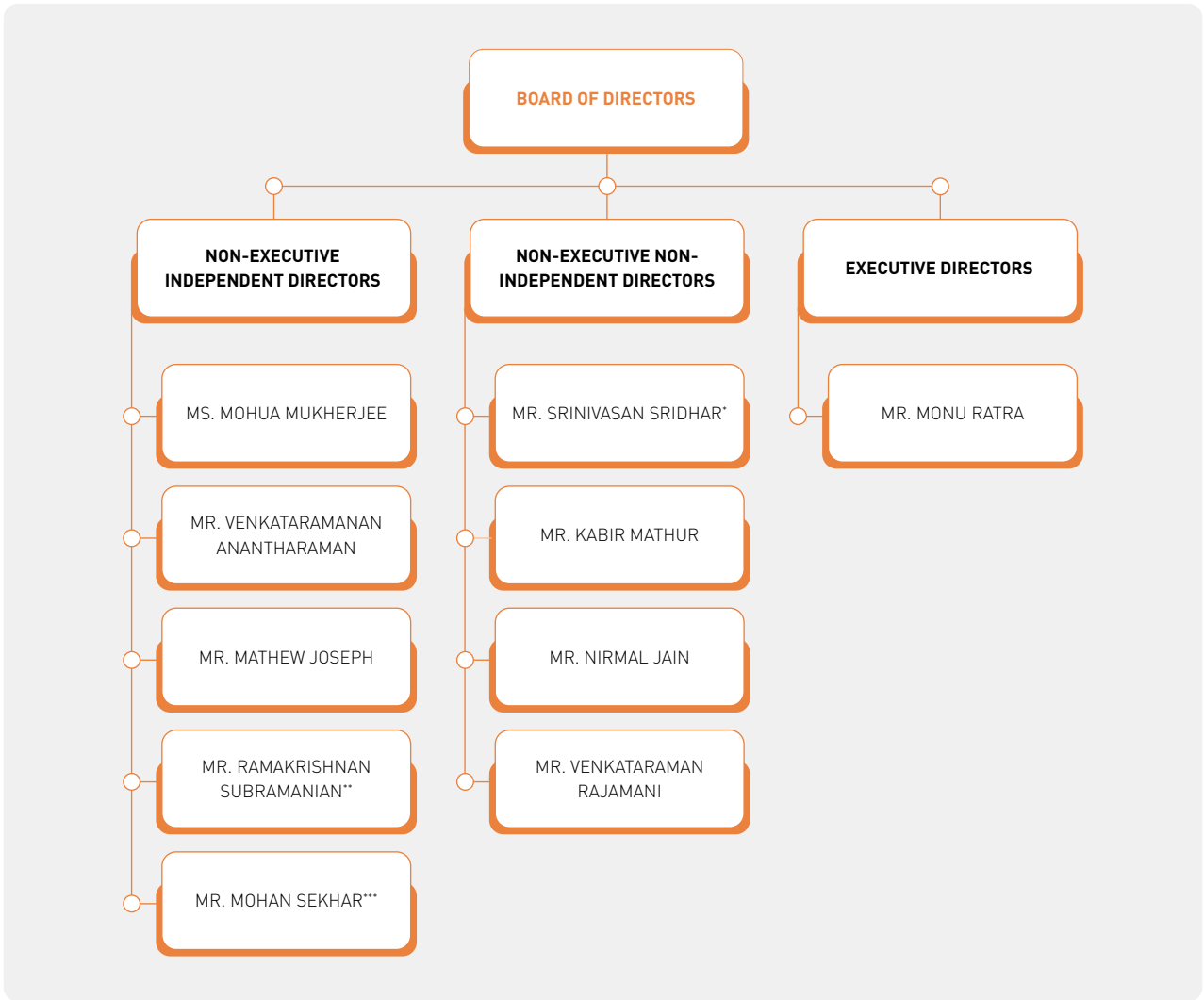
In terms of the applicable regulatory requirements read with the Articles of Association of the Company, the strength of the Board shall not be fewer than three nor more than fifteen. The present strength of the Board is ten comprising of one Executive Director and nine Non-Executive Directors including one Women Director.

Category	No. of Directors	Percentage to total no. of Directors
Non-Executive Independent Directors	5	50.00
Non-Executive Non-Independent Directors	4	40.00
Executive Directors	1	10.00
Total	10	100.00



Annexure V (Contd)

The Composition of the Board as on 31st March, 2025 are as under:



Note:

*The tenure of Mr. Srinivasan Sridhar as an Independent Director on the Board was expired on March 31, 2024. Considering ongoing participation and on the recommendation of Nomination and Remuneration Committee, Mr. Srinivasan Sridhar was appointed as a Chairman and Non- Executive Director on the Board of the Company with effect from April 01, 2024.

**Mr. Ramakrishnan Subramanian was appointed as an Independent Director of the Company with effect from April 01, 2024.

***Mr. Mohan Sekhar was appointed as an Independent Director of the Company with effect from June 30, 2024..

2) Matrix chart of core skills / expertise / competencies of the Board members

The Board comprises of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. For the purpose of Board composition, diversity includes, but is not limited to, educational and functional background, industry experience, geography, age, gender and ethnicity. The skills and backgrounds collectively represented on the Board reflect the diverse nature of the business environment in which the Company operates. The Nomination and Remuneration Committee considers, inter alia, experience, qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment of Directors.

Annexure V (Contd)

In the opinion of the Board and the Nomination and Remuneration Committee and pursuant to the provisions of Regulation 53 read with Schedule V of SEBI Listing Regulations, the Board of Directors of the Company possess relevant skills, expertise and competence to ensure effective functioning of the Company as per the matrix given below:

Sr. No.	Skills/expertise/competence	Mr. Srinivasan Sridhar	Ms. Mohua Mukherjee	Mr. Venkataramanan Anantharaman	Mr. Mathew Joseph	Mr. Ramakrishnan Subramanian	Mr. Mohan Sekhar	Mr. Kabir Mathur	Mr. Nirmal Jain	Mr. Venkataraman Rajamani	Mr. Monu Ratra
1	Knowledge of Sector	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Accounting and Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Corporate Governance & Compliance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Marketing Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Strategy Development and Implementation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Information Technology	✓	✓		✓	✓	✓	✓	✓	✓	✓
7	Stakeholders Relationship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Risk Management System	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	CEO / Senior Management Experience / Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Experience in Financial Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note: These skills/competencies are broad-based and defined as per the Board structure of the Company. Hence, the Director may possess other skills, however, most relevant competencies of the Director have been reported here.

Brief profile of Directors is as follows:

Mr. Srinivasan Sridhar is an eminent personality in the Banking and Finance industry and has held several senior positions in retail, corporate and export/import banking in his career of almost 4 decades culminating as the Chairman of NHB and the Central Bank of India. In his stint as Chairman and Managing Director of the NHB, he was responsible for a number of new initiatives such as the NHB Residex, Rural Housing Fund and Reverse Mortgage for senior citizens. Prior to this, he was associated with the Export Import Bank of India as Executive Director as well as the State Bank of India in the early part of his career. He holds directorship in 11 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	Go Fashion India Limited	Independent Director

Ms. Mohua Mukherjee is a seasoned development economics professional with thirty years of international experience. She was among the youngest candidates ever selected for the globally competitive Young Professionals' Programme of the World Bank in Washington DC. Her career at the World Bank included responsibility for designing and supervising World Bank investment projects, based on dialogue with Ministers and senior government officials in client countries. Mohua has led policy dialogue and formulated investment projects in 9 different sectors of the economy, in 44 countries on 4 continents, all pertaining to the UN's Millennium Development Goals and later the Sustainable Development Goals. She headed the Corporate Finance department first at Citibank and then at ABN AMRO Bank Nairobi, Kenya. Apart from this hands-on financial sector experience in Kenya, Mohua also has energy sector investment experience in 15 African countries, plus Nepal and Bangladesh and of course India as well. From 2014-2017, Mohua led the India Solar Energy Team of the World Bank and she was responsible for managing a large team of professionals to complete the delivery of a US\$1 billion solar programme to the government of India. The blended



Annexure V (Contd)

finance Solar Rooftops project with the State Bank of India, which she designed from the start, brought the OPEX model to the Indian solar rooftop market. Apart from the solar energy sector, Mohua also has a great deal of experience in the Indian electricity distribution company sector. She has contributed to various World Bank publications and also has three solo-authored books, with the most recent one being (in 2014) on private participation in the Indian power sector. In 2017 she ended her long career in Washington and moved to Bangalore for family reasons. Following her relocation to India, Mohua worked pro-bono for 2 years at the International Solar Alliance, to support its initial establishment. She is currently a World Bank consultant and she is Advisor to the India Smart Grid Forum. Mohua has a Bachelor's and Master's Degree in Economics, with distinction and a Master of Business Administration degree in International Finance, all from Boston University. She also has a certificate in Public Private Partnerships from the Harvard Kennedy School. She holds Directorship in 2 companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
-	-	-

Mr. Venkataramanan Anantharaman has over 30 years of experience in the financial services sector in India and overseas, having led corporate and investment banking teams in several leading international banks. He was also a Senior Advisor to British International Investment (formerly CDC), the UK Government Development Finance Institution. He is currently Chairman of Transunion CIBIL, India's leading Credit Information Bureau and is on the Boards of The Indian Hotels Company Limited, Axis AMC and Ecom Express. He is an advisor to Lighthouse Funds, a leading consumer and healthcare focussed mid-market growth private equity firm. He brings strong Board level advisory experience across mergers & acquisitions, capital markets, risk management, HR and ESG. Anantharaman holds a BE in Metallurgy from Jadavpur University and a PGDBM from XLRI, Jamshedpur. He has also has an FT Non-Executive Director Diploma and an ESG Competent Boards Certificate and Designation (GCBD). He holds directorship in 5 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	The Indian Hotels Company Limited	Independent Director

Mr. Mathew Joseph has over 35 years experience with India's Largest Housing Finance Company and superannuated as Member of Executive Management and Chief Risk Officer.

Apart from overseeing Risk, his expertise included both Retail and wholesale Financing and was a Member of Core Committees of the Corporation. During his tenure with the Corporation, he led World Bank / IFC assignment's for supporting and establishing Housing Finance Institutions in Africa and Asia. He holds a bachelor's degree in science from the Madras University and is a Member of the Institute of Chartered Accountants. He is a Director on the Boards of Tamil Nadu Urban Infrastructure Financial Services Ltd, Tamil Nadu Urban Infrastructure Trustee Co Ltd, Veritas Finance Private Ltd and a Consultant with World Bank for their Affordable Housing Fund. He is also an advisor on Lok Capital, an Impact Fund. He holds directorship in 4 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	Veritas Finance Limited	Independent Director

Mr. Ramakrishnan Subramanian is a Chartered Accountant, Cost Accountant and holds a Masters degree in Commerce. He has served several leading Banks, FIs in leadership roles since 1990 in India and abroad. He has also served as a Boards member of ING Vyasa Bank and Shriram Capital, Shriram Transport, Shriram City Union, in the past apart from having done senior Executive roles such as CEO, MD, Country Head, Asia Regional head roles in domestic and international banks. He is currently engaged as a Sr. Advisor, Operating Partner, Consultant with PE, VC, FIs and Fintech in India. Within financial sector services, his deep expertise and experience are in Retail Financing -Mortgage, LAP, Personal Loans, Business Loans, SME, LAS, Gold, Auto, CV /CE, Securitisation. He has worked in senior capacities involving Strategy, Board, Governance coupled with strong track record on execution across functions covering Channels, Product, Pricing, Portfolio management, Funding, Credit policy, Credit underwriting, Collections management of large Universal banks. Non-Banking Financial Companies ('NBFCs') and Fintech. He holds directorship in 4 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	IIFL Finance Limited	Independent Director
	NeoGrowth Credit Private Limited	Director

Mr. Mohan Sekhar is a recognized C-level global IT Consulting & Services industry leader with over 30 years' experience in transforming both large and midsized organizations enabling market leading growth and

Annexure V (Contd)

profitability. He has led the rotation of business to Digital, transformed talent to new technologies and architected Innovation at scale, a first in the industry. He has served on the Board of both publicly listed and privately held companies. From the past 3 years, he has been part of the startup ecosystem in advisory roles. He holds directorship in 1 Company i.e., IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
-	-	-

Mr. Kabir Mathur is Head of Asia Pacific within the Private Equities Department of Abu Dhabi Investment Authority (ADIA). He is responsible for leading all aspects of ADIA's private equity activities in the Asia Pacific region and is a member of the Private Equity Executive Committee. Prior to joining ADIA in 2018, Mr. Mathur worked at Kohlberg Kravis Roberts & Co (KKR) where he was responsible for sourcing, executing and managing private equity investments in Asia. Mr. Mathur joined KKR in 2008, having previously worked at TPG Capital, also in their Asian private equity business. Mr. Mathur began his career in the Investment Banking division of Citigroup/Salomon Smith Barney. Mr. Mathur graduated from the London School of Economics and Political Science with a BSc (Hons.) in Economics. He is a Nominee Director representing ADIA. He holds directorship in 3 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	MPHASIS Limited	Non-Executive Director

Mr. Nirmal Jain is a Non-Executive Director of our Company. He founded IIFL Group in 1995. Under his visionary leadership, IIFL Group has grown to become one of the leading financial services players in post liberalized India with a combined market capitalization of USD 5.1 billion serving over 14 million diverse customers in wealth & asset management, consumer lending, securities trading & discount broking spaces. With an impeccable track record of governance and growth, the Group has attracted marquee investors and won accolades internationally. He has been a pioneer in technology led disruptions in financial services space creating new standards in securities trading, consumer finance, wealth and asset management. He is also one of the leading proponents of financial inclusion and financial literacy in India. He holds a PGDM (Post Graduate Diploma in Management) from Indian Institute of Management, Ahmedabad (IIMA) and is a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited and founded

IIFL Group as an independent equity research company in 1995. He has close to three decades of experience spearheading diverse businesses in the financial services sector. He holds directorship in 4 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	IIFL Finance Limited	Managing Director

Mr. Venkataraman Rajamani is a Non-Executive Director of our Company. He holds a Post Graduate Diploma in Management from Indian Institute of Management (IIM), Bangalore and a Bachelor in Electronics and Electrical Communications Engineering from IIT Kharagpur. He joined IIFL Group in 1999. He has been contributing immensely in the establishment of various businesses and spearheading key initiatives of IIFL Group over the past 25 years. He previously held senior managerial positions at ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with JP Morgan of US and Barclays – BZW. He worked as an Assistant Vice President with GE Capital Services India Limited in their private equity division. He has a varied experience of more than 33 years in the financial services sector. He holds directorship in 5 Companies including IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
	IIFL Finance Limited	Joint Managing Director
	IIFL Capital Services Limited (Erstwhile known as IIFL Securities Limited)	Managing Director
	IIFL Samasta Finance Limited	Non-Executive Director

Mr. Monu Ratra is a veteran in the mortgage industry with nearly two decades of experience. He has been associated with prominent entities such as HDFC Limited, ICICI Bank and Samman Capital Limited. Prior to joining IIFL Home Finance Limited, he served as the National Business Manager at Samman Capital Limited. He holds directorship in 1 Company i.e., IIFL Home Finance Limited.

List of Directorship in other listed Company	Name of Company	Category of Directorship
-	-	-



Annexure V (Contd)

3) Board Meetings and Directorship / Committee Membership(s) of Directors

The Board meets atleast once a quarter to review the quarterly performance and the financial results of the Company. The Company Secretary in consultation with the Chairman and Executive Directors of the Company, prepare a detailed agenda for the meetings. In exceptional circumstances, additional item(s) are taken up with the permission of Chairman and with the consent of majority Directors. The Board of Directors also invites certain invitees to the Board meeting who are mostly from the senior management of the Company to discuss and deliberate on any specific agenda item for which the Board needs to be apprised of. The minutes of each Board/Committee meetings are subsequently finalized and recorded in the minutes book.

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company ensures that the gap between approval of financial results by the Audit Committee and the Board of Directors is kept as minimum as possible.

During the year under review, the Board of Directors met five (5) times i.e., May 06, 2024, July 29, 2024, October 18, 2024, November 21, 2024 and February 10, 2025. The Board meetings were conducted both physically and through video conferencing. For the meetings conducted physically, the Directors were also provided with an option to participate in the meeting through video conferencing/other audio-visual means and the facility is provided as and when requested.

The Company has received the necessary disclosures from all the Directors regarding Committee positions held by them in other companies. The table below gives the details of the names of the members of the Board, their category, their attendance at the Board meetings held during the year under review and at the last Annual General Meeting (AGM) which was held on June 20, 2024, their Directorships, Committee Memberships and Chairmanships in Indian Companies as on March 31, 2025:

Name of the Director (DIN)	Date of original appointment	Category	Number of Board meetings held	Number of Board meetings attended	Attendance at last AGM	Directorships in Listed Companies (including IIFL Home Finance Limited)	Membership of Committees (including IIFL Home Finance Limited)	
							Member	Chairman
Mr. Srinivasan Sridhar* (DIN:00004272)	October 01, 2013	Chairman and Non-Executive Director	5	5	No	2	1	0
Ms. Mohua Mukherjee (DIN:08714909)	August 26, 2021	Independent Director	5	4	No	1	1	1
Mr. Venkataramanan Anantharaman (DIN:01223191)	February 21, 2023	Independent Director	5	5	No	2	5	2
Mr. Mathew Joseph (DIN:01033802)	October 31, 2023	Independent Director	5	5	Yes	2	2	1
Mr. Ramakrishnan Subramanian** (DIN:02192747)	April 01, 2024	Independent Director	5	5	Yes	2	2	0
Mr. Mohan Sekhar*** (DIN:00032093)	June 30, 2024	Independent Director	4	4	NA	1	1	0

In accordance with the provisions of Regulation 26 read with Regulation 620 of SEBI Listing Regulations and amendments thereof, none of the Directors on the Board of the Company is a member of more than ten (10) specified Committees and Chairman of more than five (5) specified Committees across all public limited companies whether listed or not and High Value Debt Listed Entities ("HVDLEs") except private limited companies, foreign companies and Companies incorporated under Section 8 of the Act where he/she is a director.

Further, in compliance with the provisions of Regulation 17(1A) read with Regulation 62E of SEBI Listing Regulations and amendments thereof, none of the Independent Directors serves as an Independent Director in more than seven (7) listed entities and none of the Directors holds directorship in more than seven (7) listed entities. None of the Whole Time Director/Managing Director serves as an Independent Director in more than three (3) listed entities. Furthermore, none of our Independent Directors serve as Non-Independent Director on the Board of any Company, of which any Non-Independent Director is an Independent Director on the Board of our Company. None of the directors are inter-se related. Also, there are no material significant related party transactions made by the Company with its Directors, Key Managerial Personnel or other Designated persons and their relatives which may have potential conflict with the interest of the company at large.

Annexure V (Contd)

Name of the Director (DIN)	Date of original appointment	Category	Number of Board meetings held	Number of Board meetings attended	Attendance at last AGM	Directorships in Listed Companies (including IIFL Home Finance Limited)	Membership of Committees (including IIFL Home Finance Limited)	
							Member	Chairman
Mr. Kabir Mathur (DIN:08635072)	August 22, 2022	Nominee Director	5	2	No	2	1	0
Mr. Nirmal Jain (DIN:00010535)	December 26, 2006	Non-Executive Director	5	5	No	2	0	0
Mr. Venkataraman Rajamani (DIN:00011919)	December 26, 2006	Non-Executive Director	5	5	No	4	3	0
Mr. Monu Ratra (DIN:07406284)	January 28, 2016	Executive Director & CEO	5	4	Yes	1	1	0

*Mr. Srinivasan Sridhar was appointed as Chairman and Non-Executive Director of the Company with effect from April 01, 2024.

** Mr. Ramakrishnan Subramanian was appointed as an Independent Director of the Company with effect from April 01, 2024.

*** Mr. Mohan Sekhar was appointed as an Independent Director of the Company with effect from June 30, 2024.

- The Committees considered for the above purpose are those prescribed in the Regulation 26 read with Regulation 620 of SEBI Listing Regulations viz. the Audit Committee and Stakeholders Relationship Committee.
- The membership count also includes the count in which the Director is Chairman.
- The Directorship in listed entity includes, the directorship in HVDLEs.

Details of changes in composition of Board during FY 2023-24 and FY 2024-25:

Details of change in composition of the Board during the year under review and previous year i.e., from April 01, 2023 to March 31, 2025 are as follows:

Sr. No.	Name of the Director	Category of Directorship	Nature of change	Effective Date
1.	Mr. Kranti Sinha*	Independent Director	Resignation	August 08, 2023
2.	Mr. Mathew Joseph	Independent Director	Appointment	October 31, 2023
3.	Mr. A.K. Purwar**	Independent Director	Cessation due to expiration of tenure in the Holding Company	March 31, 2024
4.	Mr. Srinivasan Sridhar***	Independent Director (upto March 31, 2024) and afterwards designated as Chairman and Non-Executive Director.	Appointed as Non-Executive Director post completion of second consecutive term of Independent Director.	April 01, 2024
5.	Mr. Ramakrishnan Subramanian	Independent Director	Appointment	April 01, 2024
6.	Mr. Mohan Sekhar	Independent Director	Appointment	June 30, 2024

* Mr. Kranti Sinha has resigned from the position of Independent Director on account of personal reasons.

** Mr. A.K. Purwar ceased to be the Independent Director due to completion of his tenure in the Holding Company.

*** Mr. Srinivasan Sridhar continues to hold the position of Chairman of the Company.

4) Board Level Performance Evaluation

The Board's evaluation process has been adopted by the Company in accordance with the provisions of the Act and the circular issued by SEBI. It applies to all Directors of the Company. The main objective of the evaluation is to ensure effective and efficient Board operations aligned with corporate goals, to identify ways to enhance Board members' functioning and to assess the balance of skills, knowledge and experience on the Board.

The Nomination and Remuneration Committee has laid down the criteria for the evaluation of the performance of Executive Directors, Non-Executive Directors including Independent Directors ("ID's"), Board Committees and Board as a whole.

The Company has engaged the services of an independent agency to conduct the evaluation. The agency has facilitated the process through an online platform and the relevant links to the Annual Evaluation forms were shared with all the Board Members.



Annexure V (Contd)

The criteria for performance evaluation are as follows:

For Chairperson

The criteria for evaluation of the Chairperson, inter alia, includes his/her ability to conduct meetings, ability to elicit inputs from all members, ability to present and openly discuss challenging matters, assistance to the Board in formulating policies and setting standards, accessibility, ability to analyze strategic situations, ability to project a positive image of the Company, compliance with regulatory requirements, impartial in conducting discussions, being sufficiently committed to the Board and ability to keep shareholder's interest in mind during discussions and decisions.

For Executive Directors

The criteria for evaluation of Executive Directors, inter alia, includes their ability to elicit inputs from all members, their ability to present and openly discuss challenging matters, participation at meetings, integrating quality and re-engineering, capitalize on opportunities created by economic and technological changes, assistance to the Board in formulating policies and setting standards and following them, accessibility, ability to analyse strategic situations, ability to project a positive image of the Company, compliance with regulatory requirements and handling critical situations concerning the group.

For Non-Executive Directors (including Independent Directors)

The criteria for evaluation of Non-Executive Directors, inter alia, includes attendance at the meetings, study of the agenda and active participation, contribution to discussions on strategy, participate constructively and actively in Committees of the Board, exercise of skills and diligence with due and reasonable care and to bring independent judgment to the Board, ability to bring in best practices from his / her experience and adherence to the code of conduct.

For Board Committees as a Whole

The criteria for evaluation of the Board Committees, inter-alia, includes composition, effectiveness, structure of the Committees and meeting, agenda and recording of minutes of the committees including the details pertaining to dissents (if any) and the contribution of various committees to the decision of the Board.

For Board as a Whole

The criteria for evaluation of the Board, inter alia, includes composition and diversity, induction programme, teamwork, performance culture, risk management and financial controls, integrity, credibility, trustworthiness, active and effective participation by members, proper mix of competencies to conduct affairs and processing enough experience to efficiently manage matters.

5) Separate Meeting of Independent Directors

In compliance with the provisions of the Act read with the Schedule IV of the Act (Code for Independent Directors) and Regulation 25 read with the Regulation 62N of SEBI Listing Regulations, a separate meeting of Independent Directors of the Company without the presence of the Non-Independent Directors and the Management representatives, was held on March 28, 2025, inter alia, to review the following:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairperson of the Company; taking into account the views of executive directors and non-executive directors;
- Assessed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board and its Committees, which is necessary for the Board to effectively and reasonably perform their duties;

The Independent Directors expressed their satisfaction with the overall functioning and implementation of their suggestions.

The evaluation process endorsed the Board Members confidence in the ethical standards of the Company, the cohesiveness that exists amongst the Board Members, the two-way candid communication between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities.

Familiarization Programme for Independent Directors

In accordance with the requirements of the SEBI Listing Regulations, the Company has laid out a Familiarization Programme for Independent Directors to familiarize them with the workings of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates and its business model, among others.

During the year, Mr. Ramakrishnan Subramanian and Mr. Mohan Sekhar were appointed as the Independent Directors on the Board and were formally inducted to the Board.

As part of the induction familiarisation, the Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee meetings on business, operations and performance updates of the Company. Quarterly updates on relevant statutory and regulatory changes applicable to the Company are discussed at the Board meetings.

Annexure V (Contd)

The details of such familiarization programmes along with the Terms and Conditions of appointment of Independent Directors of the Company may be accessed on the website of the Company i.e. <https://www.iiflhomeloans.com/corporate-governance>.

Meetings of the Board of Directors

- Frequency: The Board meets at least once a quarter to review the quarterly results and other items on the Agenda. There are a minimum of four meetings of Board in a calendar year, with a maximum gap of 120 days between two consecutive meetings. Whenever necessary, additional meetings are held. In cases of business exigencies or matters of urgency, resolutions are passed by circulation, as permitted by law and are noted in the subsequent Board meeting.
- Board meeting Location: The location of the Board/ Committee meetings is informed well in advance to all the Directors. Each Director/ respective Committee member is expected to attend the Board / Committee meetings. A video conference facility is made available to facilitate Directors travelling / residing abroad or at other locations to participate in the Board / Committee meetings. The Ministry of Corporate Affairs (MCA) has granted relaxation with regard to the requirement of the physical presence of the Directors at the Board meeting and therefore few Board meetings were held through video conferencing or other audio-visual means.
- Notice and Agenda Distributed in Advance: The Company's Board/Committee members are presented with detailed notes along with the agenda papers, which are circulated well in advance of the meeting. The Company has implemented an App based e-meeting system accessible through secured iPads provided to the Directors and key officials. The agenda, presentation, notes and minutes are made available to the Board and Committee members.
- The Company Secretary in consultation with the Chairperson of the Board/Committees sets the Agenda for the Board/Committee meetings. All material information is incorporated in the Agenda to facilitate meaningful and focused discussions at the meeting. Wherever it is not practical to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.
- Other Matters: The Senior Management team of the Company is advised to schedule its work plans

in advance, particularly with regard to matters requiring discussions / decision with the Board / Committee members.

- Presentations by the Management: The Board/ Committee is given presentations, wherever practicable covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy, risk management practices and operating performance before taking on record the financial results of the Company.
- Access to Employees: The Directors have unrestricted access to the Company's officers and employees, enabling them to seek necessary information, engage in meaningful discussions and effectively fulfill their oversight responsibilities. Whenever any need arises, the Board/Committee members are at liberty to summon personnel whose presence and expertise would help the Board to have a full understanding of the issues being considered.

Information Supplied to the Board/Committees

Among others, information supplied to the Board / Committees in terms of Part A of Schedule II of the SEBI Listing Regulations includes:

- Annual Budget and updates thereof,
- Quarterly, half yearly and annual results of the Company as per the format prescribed in SEBI Listing Regulations.
- Minutes of the meetings of the Board and all other Committees of the Board
- Information on the recruitment and remuneration of senior officers just below the level of Board of Directors, including the appointment or removal, if any, of the Chief Financial Officer and Company Secretary
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Any material default in financial obligations to and by the Company, if any
- Any issue, that involves possible public or product liability claims of substantial nature, including any judgement or order, that may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property, if any



Annexure V (Contd)

- Any significant development on human resources / industrial relations front, as and when it occurs
- Sale of material nature of investments and assets that are not in the normal course of business Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer, if any and others steps taken by the Company to rectify instances of non-compliance, if any

Minutes of the Meetings

The draft Minutes of the proceedings of the meetings are circulated amongst the Members of the Board/ Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Members and signed by the Chairman of such meeting at any time before the next meeting is held or by the Chairman of the next Board / Committee meetings. All Minutes of the Committee meetings are placed before the Board for perusal and noting.

Post Meeting Follow-up Mechanism

The Company has an effective post-meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board/Committee(s) meetings that calls for actions

to be taken are promptly initiated and wherever required, communicated to the concerned departments/divisions. The action taken report is placed at the immediately succeeding meeting of the Board/Committee(s) for information and review by the Board / Committee(s).

Confirmation of Independence

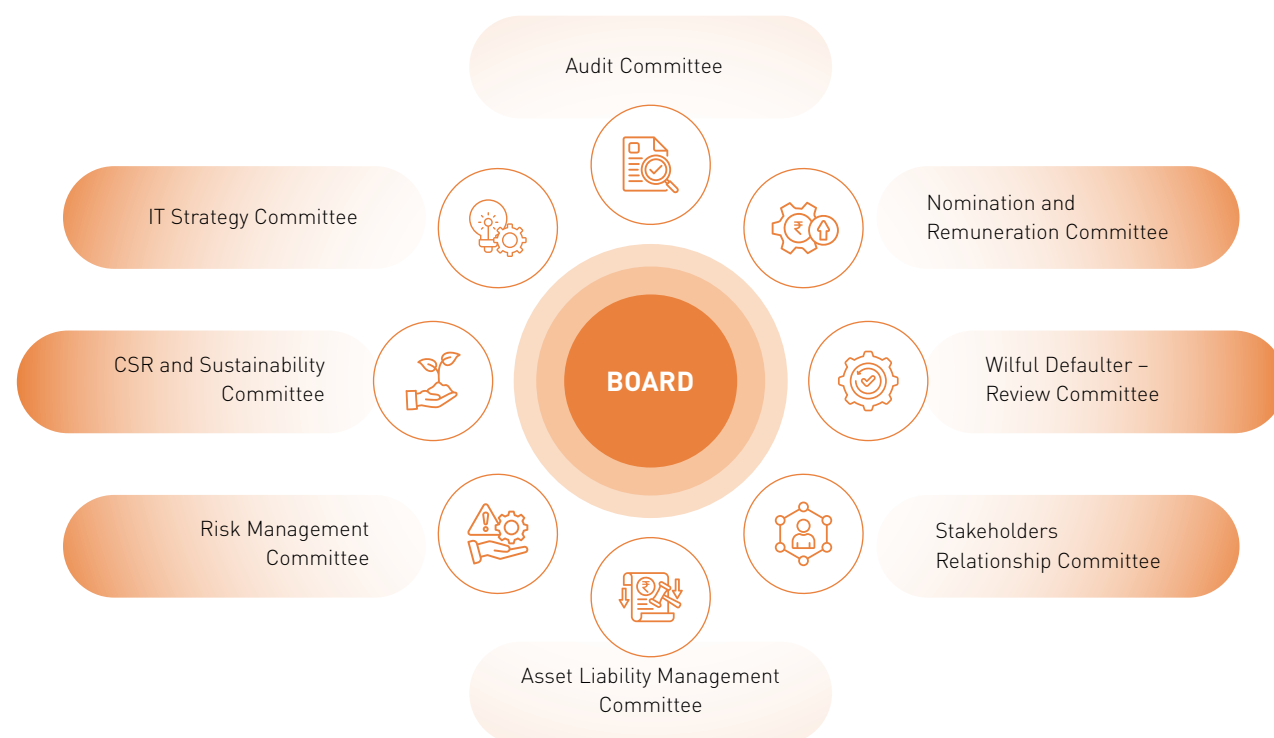
The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and have submitted the declaration under Section 149(7) of the Act. Based on the disclosures received from the Independent Directors, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and SEBI Listing Regulations and are independent of the management.

Board Committees

To effectively discharge the obligations and to comply with the statutory requirements, the Company has constituted various statutory and non-statutory Board Committees for enabling smooth decision-making process in the Company.

The Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concerns the Company and needs a closer review. Mr. Ajay Jaiswal, Company Secretary of the Company acts as the Secretary to all the Committees constituted by the Board.

The Board Committees on March 31, 2025, are as follows:



Annexure V (Contd)

There are various management committees such as Special Committee of the Board for Monitoring and follow-up of cases of Frauds, Wilful Defaulter – Identification Committee, IT Steering Committee, Internal ALCO and Finance Committee.

In terms of the Act, SEBI Listing Regulations, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 read with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("RBI Master Directions") and various other RBI/NHB Regulations, the Board of Directors has constituted various Committees. During the year, there were no instances where the Board did not accept the recommendations of any Committee.

The composition of the various Committees along with their Terms of Reference is as follows:

A. Audit Committee

In terms of the provisions of Regulation 18, 53 and 62F read with Schedule V of SEBI Listing Regulations, Section 177 of the Act and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board constituted the Audit Committee.

The composition of the Audit Committee as on March 31, 2025 is as follows:

- Mr. Mathew Joseph – Chairman
- Mr. Venkataramanan Anantharaman – Member
- Mr. Ramakrishnan Subramanian – Member
- Mr. Kabir Mathur – Member

During the year under review, the Audit Committee met five times i.e., May 06, 2024, July 29, 2024, October 18, 2024, November 21, 2024 and February 10, 2025.

Details of the number of the meetings held and attended by the members of the Committee during the financial year 2024-25 are summarized below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of meetings attended
Mr. Mathew Joseph*	April 01, 2024	Independent Director	5	5
Mr. Venkataramanan Anantharaman	September 06, 2023	Independent Director	5	5
Mr. Ramakrishnan Subramanian**	November 21, 2024	Independent Director	1	1
Mr. Kabir Mathur	September 20, 2022	Nominee Director	5	1

Mr. Srinivasan Sridhar, Non-Executive Director ceased to be the Chairman and Member of the Audit Committee with effect from April 01, 2024 due to change in the designation from Independent Director to Non-Executive Director.

* Mr. Mathew Joseph, Independent Director was inducted to the Audit Committee as a Chairman with effect from April 01, 2024.

**Mr. Ramakrishnan Subramanian, Independent Director was inducted to the Audit Committee as a Member with effect from November 21, 2024.

Refer section "Remuneration of Directors" for details pertaining to the shares held by the Committee members.

Audit Committee meetings are attended by the Executive Director & Chief Executive Officer and the Chief Financial Officer of the Company and representatives of the Statutory Auditors and the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on June 20, 2024.

The role and terms of reference of the Audit Committee, inter alia, includes the following:

- oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;



Annexure V (Contd)

- significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- V. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- VI. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- VII. review and monitor the auditor's independence and performance and effectiveness of audit process;
- VIII. approval or any subsequent modification of transactions of the Company with related parties;
- IX. scrutiny of inter-corporate loans and investments;
- X. valuation of undertakings or assets of the listed entity, wherever it is necessary;
- XI. evaluation of internal financial controls and risk management systems;
- XII. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XIII. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- XIV. discussion with internal auditors of any significant findings and follow up thereon;
- XV. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- XVI. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- XVII. to look into the reasons for substantial defaults in the payment debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVIII. to review the functioning of the whistle blower mechanism;
- XIX. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- XX. reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- XXI. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders, if any.
- XXII. management discussion and analysis of financial condition and results of operations;
- XXIII. management letters / letters of internal control weaknesses issued by the statutory auditors;
- XXIV. internal audit reports relating to internal control weaknesses;
- XXV. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- XXVI. statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 52 of SEBI Listing Regulations.
 - Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 52 of SEBI Listing Regulations.
- XXVII. The Audit Committee have such powers and it performs such functions as may be required under the Act and such other applicable Regulations as may be notified by Securities and Exchange Board of India, National Housing Bank/Reserve Bank of India and other regulators from time to time.
- XXVIII. ensure that an Information System Audit of the internal systems and processes is conducted to assess operational risks faced. The Information System Audit as prescribed shall be carried out separately through a Certified Information System Auditor (CISA).

Annexure V (Contd)

B. Nomination and Remuneration Committee

In terms of the provisions of Regulation 19, 53 and 62G read with Schedule V of SEBI Listing Regulations, Section 178 of the Act and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board constituted a Nomination and Remuneration Committee.

The composition of the Nomination & Remuneration Committee as on March 31, 2025 is as follows:

1. Mr. Venkataramanan Anantharaman – Chairman
2. Ms. Mohua Mukherjee – Member
3. Mr. Mathew Joseph – Member
4. Mr. Kabir Mathur – Member

During the year under review, the Nomination and Remuneration Committee met two times i.e., on May 03, 2024 and November 13, 2024.

Details of the number of meetings held and attended by the members of the Committee during the FY 2024-25 are summarized below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of meetings attended
Mr. Venkataramanan Anantharaman	September 06, 2023	Independent Director	2	2
Ms. Mohua Mukherjee*	April 01, 2024	Independent Director	2	2
Mr. Mathew Joseph**	November 21, 2024	Independent Director	Nil	Nil
Mr. Kabir Mathur	September 20, 2022	Nominee Director	2	2

Mr. Srinivasan Sridhar, Non-Executive Director ceased to be the member of the Nomination and Remuneration Committee with effect from April 01, 2024 due to change in the designation from Independent Director to Non-Executive Director.

*Ms. Mohua Mukherjee, Independent Director was inducted into the Nomination and Remuneration Committee as a Member with effect from April 01, 2024.

**Mr. Mathew Joseph, Independent Director was inducted into the Nomination and Remuneration Committee as a Member with effect from November 21, 2024.

Refer section "Remuneration of Directors" for details pertaining to the shares held by the Committee members.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- I. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

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

- a. use the services of an external agencies, if required;

- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

- c. consider the time commitments of the candidates.

- II. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

- III. devising a policy on diversity of Board of Directors;

- IV. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

- V. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.



Annexure V (Contd)

- VI. recommend to the Board all remuneration, in whatever form, payable to senior management.
- VII. recommend a policy to the Board relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.
- VIII. ensure that compensation levels are supported by the need to retain the earnings of the company and the need to maintain adequate capital based on ICAAP.
- IX. ensure 'fit and proper' status of proposed/ existing directors and that there is no conflict of interest in appointment of directors on Board of the Company, KMPs and senior management.
- X. The Nomination and Remuneration Committee have such powers and it performs such functions as may be required under the Act and such other applicable Regulations as may be notified by Securities and Exchange Board of India, National Housing Bank/Reserve Bank of India and other regulators from time-to-time.
- C. Stakeholders Relationship Committee**
- In terms of the provisions of Regulation 20, 53 and 62H read with Schedule V of SEBI Listing Regulations, Section 178 of the Act and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board has constituted a Stakeholders Relationship Committee.
- The composition of the Stakeholders Relationship Committee as on March 31, 2025 is as follows:
- Ms. Mohua Mukherjee – Chairperson
 - Mr. Mohan Sekhar - Member
 - Mr. Venkataraman Rajamani – Member
 - Mr. Monu Ratra – Member
- During the year under review, the Stakeholders Relationship Committee met once on March 21, 2025.

Details of the number of meetings held and attended by the members of the Committee during FY 2024-25 are summarised below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of Meetings attended
Ms. Mohua Mukherjee	September 06, 2023	Independent Director	1	1
Mr. Mohan Sekhar*	November 21, 2024	Independent Director	1	1
Mr. Venkataraman Rajamani	July 24, 2021	Non-Executive Director	1	0
Mr. Monu Ratra	July 24, 2021	Executive Director & CEO	1	1

*Mr. Mohan Sekhar, Independent Director was inducted to the Stakeholders Relationship Committee as a Member with effect from November 21, 2024.

Refer section "Remuneration of Directors" for details pertaining to the shares held by the Committee members.

The Chairman of the Stakeholders Relationship Committee hasn't attended the last Annual General Meeting of the Company held on June 20, 2024.

The Company Secretary of the Company acts as Secretary of the Committee.

The name, designation, address and contact details of the Company Secretary & Compliance Officer of the Company are as under:

Name and Designation:	Mr. Ajay Jaiswal, Company Secretary & Compliance Officer
Corporate Office Address:	Plot No. 98, IIFL Towers, Udyog Vihar, Phase IV, Gurgaon- 122015
Contact Details:	Tel: +91(124) 478098800
	Email: secretarialhfc@iiflhomeloans.com / hfcinvestors@iiflhomeloans.com

Complaints or queries relating to the debentures can be forwarded to the Company's Registrar and Share Transfer Agent – MUFG Intime India Private Limited (Erstwhile known as Link Intime India Private Limited).

The Board on February 10, 2025, approved a revision to the Committee's scope, incorporating customer service relations into its Terms of Reference. This expansion aims to enhance the Committee's role in fostering customer service relationship.

Annexure V (Contd)

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

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends/interest and

ensuring timely receipt of dividend/interest warrants/annual reports/statutory notices by the shareholders of the company.

- Oversee customer engagement strategies and practices.
- Review customer feedback and suggest improvements.
- Ensure alignment of customer experience with organizational values and brand.
- Identify opportunities for enhancing customer value propositions.
- Monitor and evaluate customer satisfaction metrics.
- Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.

During the year under review, no complaints were received by the Company from equity shareholders, as well as from non-convertible debenture holders (investors) including complaints received through SEBI's SCORES portal. The details of the Complaints are as follows:

Sr. No.	Particulars	No. of Complaints
1	Investor complaints pending at the beginning of the year	Nil
2	Investor complaints received during the year	Nil
3	Investor complaints disposed off during the year	Nil
4	Investor complaints remaining unresolved at the end of the year	Nil
5	Investor complaints not solved to the satisfaction of the security holders	Nil

D. Corporate Social Responsibility (CSR) and Sustainability Committee

In terms of the provisions of Section 135 and other applicable provisions of the Act read with rules made thereunder, the Board has constituted a CSR and Sustainability Committee.

The composition of the CSR and Sustainability Committee as on March 31, 2025 is as follows:

- Ms. Mohua Mukherjee – Chairperson
- Mr. Mathew Joseph – Member
- Mr. Mohan Sekhar - Member
- Mr. Venkataraman Rajamani – Member
- Mr. Monu Ratra – Member

During the year under review, the CSR and Sustainability Committee met twice on October 10, 2024 and March 20, 2025.

Details of number of the meetings held and attended by the members of the Committee during the FY 2024-25 are summarised below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of Meetings attended
Ms. Mohua Mukherjee	October 21, 2021	Independent Director	2	2
Mr. Mathew Joseph*	November 21, 2024	Independent Director	1	0
Mr. Mohan Sekhar*	November 21, 2024	Independent Director	1	1
Mr. Venkataraman Rajamani	March 29, 2014	Non-Executive Director	2	2
Mr. Monu Ratra	July 18, 2020	Executive Director & CEO	2	2

*Mr. Mathew Joseph, Independent Director and Mr. Mohan Sekhar, Independent Director were inducted to the CSR and Sustainability Committee as a Member with effect from November 21, 2024.



Annexure V (Contd)

Refer section "Remuneration of Directors" for details pertaining to the shares held by the Committee members.

The terms of reference of the CSR and Sustainability Committee is governed by the provisions of the Act read with the applicable rules and such modification or amendments as made thereto from time-to-time.

The terms of reference of the CSR and Sustainability Committee, inter alia, include the following:

- I. Consider any matters relating to the social, charitable, community and educational activities, expenditures and related publications of the Company and its subsidiary companies that it determines to be desirable. In addition, the CSR Committee shall examine any other matters referred to it by the Board.
- II. Maintain the Company's CSR policy framework (e.g. environment, human rights and responsible business conduct) in line with best practice and the appropriate international standards and guidelines;
- III. Receive reports and review activities from executive and specialist groups managing CSR matters across the Company's operations; and consider and propose an annual budget for CSR activities to the Board.
- IV. To set general ESG strategies keeping in mind the Company's commitments.
- V. To ensure that the company's ESG strategy is integrated into its business plan by developing and implementing initiatives and policies based on that strategy,
- VI. To monitor the integrity and quality of the company's ESG strategy, ensuring that it serves to foster a culture of responsibility and transparency.
- VII. To provide oversight on behalf of and to the Board in relation to IIFL HFC's ESG strategy and activities.
- VIII. To oversee communications with employees, investors and stakeholders with respect to ESG Strategy and related matters

- IX. To review and approve IIFL HFL's impact reports to be issued from time to time.
- X. To review and approve the qualifications, independence, engagement, compensation and performance of the external party chosen to provide assurance on IIFL HFL's annual Sustainability Report.
- XI. Any other incidental and ancillary matters pertaining to ESG Strategy and Programme of the Company.
- XII. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act.
- XIII. recommend the amount of expenditure to be incurred on the CSR activities
- XIV. monitor the Corporate Social Responsibility Policy of the company from time to time.

E. Risk Management Committee

The Board of Directors constituted Risk Management Committee comprising of Directors and senior officials of the Company in line with the provisions of RBI Master Directions, SEBI Listing Regulations and in line with other applicable provisions.

The composition of the Risk Management Committee as on March 31, 2025 is as follows:

1. Mr. Mathew Joseph – Chairman
2. Mr. Srinivasan Sridhar – Member
3. Mr. Ramakrishnan Subramanian – Member
4. Mr. Mohan Sekhar – Member
5. Mr. Kabir Mathur – Member
6. Mr. Venkataraman Rajamani – Member
7. Mr. Monu Ratra – Member

During the year under review, the Committee met four times on May 15, 2024, August 14, 2024, November 18, 2024 and February 17, 2025.

Annexure V (Contd)

Details of the number of the meetings held and attended by the members of the Committee during the FY 2024-25 are summarized below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of meetings attended
Mr. Mathew Joseph	January 15, 2024	Independent Director	4	4
Mr. Srinivasan Sridhar	October 24, 2013	Non – Executive Director	4	4
Mr. Ramakrishnan Subramanian*	November 21, 2024	Independent Director	1	1
Mr. Mohan Sekhar**	November 21, 2024	Independent Director	1	1
Mr. Kabir Mathur	September 20, 2022	Nominee Director	4	2
Mr. Venkataraman Rajamani	September 20, 2022	Non- Executive Director	4	3
Mr. Monu Ratra	January 25, 2022	Executive Director & CEO	4	4
Ms. Mohua Mukherjee***	January 25, 2022	Independent Director	3	3
Mr. Gaurav Seth****	January 15, 2024	Chief Financial Officer	3	3
Ms. Abhishikta Munjal*****	January 23, 2021	Head – Product, Policy and Process	3	3
Mr. Sumit Jhunjunhwal*****	May 25, 2024	Chief Financial Officer	2	1
Mr. Govind Modani*****	August 08, 2019	Head Treasury	1	0

*Mr. Ramakrishnan Subramanian Independent Director was inducted to the Risk Management Committee as a Member with effect from November 21, 2024.

**Mr. Mohan Sekhar Independent Director was inducted to the Risk Management Committee as a Member with effect from November 21, 2024.

***Ms. Mohua Mukherjee Independent Director ceased to be a member of Risk Management Committee with effect from November 21, 2024.

****Mr. Gaurav Seth ceased to be a member of Risk Management Committee with effect from November 21, 2024.

*****Ms. Abhishikta Munjal ceased to be a member of Risk Management Committee with effect from November 21, 2024.

*****Mr. Sumit Jhunjunhwal was inducted into the Risk Management Committee with effect from May 25, 2024 and he ceased to be a member of Risk Management Committee with effect from November 21, 2024.

*****Mr. Govind Modani ceased to be a member of Risk Management Committee with effect from May 25, 2024.

Refer section "Remuneration of Directors" for details pertaining to the shares held by the Committee members.

The terms of reference of the Risk Management Committee are in line with guidelines prescribed by NHB/RBI and SEBI which, inter alia, includes the following:

- I. To identify the various types of risks involved in the business, both financial and non-financial risk, internal and external, operational, liquidity, sustainability and ESG related risk.
- II. To define the methodology to measure / quantify the risks,
- III. To control and mitigate the variety of overall risks involved in business,
- IV. To specify the risk tolerance of the Company,
- V. To ensure regulatory and statutory compliance on risk management and prudential norms,
- VI. To improve the assets quality of the Company by using risk management tools,
- VII. To maximize the profit of the Company,

- VII. To maximize the return on equity with an acceptable level of risk, for the purpose of protecting, preserving and increasing the net worth of the Company.
- IX. To ensure business continuity and to avoid accidents and disasters. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- X. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken
- XI. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee
- XII. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
- XIII. To strengthen internal control and prevent unauthorized and improper access to Data, thereby ensuring the appropriate protection of information assets i.e. risk related to cyber security.



Annexure V (Contd)

- XIV. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- XV. To monitor and control of Outsourced Activities including half yearly reviews of all material outsourcing.
- XVI. To formulate/ review a detailed risk management policy which shall include:
- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.

Details of the number of the meetings held and attended by the members of the ALCO during the financial year 2024-25 are summarised below:

Name of the member	Member of Committee since	Category	No. of meetings entitled to attend	No. of meetings attended
Mr. Monu Ratra	May 04, 2016	Executive Director & CEO	4	4
Mr. Srinivasan Sridhar	January 24, 2023	Non-Executive Director	4	3
Ms. Mohua Mukherjee*	November 21, 2024	Independent Director	1	1
Mr. Kabir Mathur	September 20, 2022	Nominee Director	4	2
Mr. Venkataraman Rajamani	October 24, 2013	Non-Executive Director	4	2
Mr. Mohit Kumar	September 06, 2023	National Credit Manager	4	3
Mr. Pradeep Kumar Rangii**	February 10, 2025	Chief Risk Officer	1	1
Mr. Sumit Jhunjunwala***	May 25, 2024	Chief Financial Officer	3	3
Mr. Govind Modani****	September 06, 2023	Head Treasury	1	1
Mr. Gaurav Seth*****	January 15, 2024	Chief Financial Officer	3	3
Ms. Abhishikta Munjal^	September 06, 2023	Head – Product, Policy and Process	3	3

*Ms. Mohua Mukherjee, Independent Director inducted to the ALCO as a Member with effect from November 21, 2024.

^Ms. Abhishikta Munjal, ceased to be a member of ALCO with effect from February 10, 2025.

**Mr. Pradeep Kumar Rangii, Chief Risk Officer inducted to the ALCO as a Member with effect from February 10, 2025.

***Mr. Sumit Jhunjunwala inducted to the ALCO as a Member with effect from May 25, 2024.

****Mr. Govind Modani, ceased to be a member of ALCO with effect from May 25, 2024.

*****Mr. Gaurav Seth, ceased to be a member of ALCO with effect from February 10, 2025.

Except Mr. Monu Ratra and Mr. Sumit Jhunjunwala who holds 100 shares each as a nominee of IIFL Finance Limited, none of the other Committee member held any shares in the Company.

The terms of reference of the ALCO are in line with the guidelines prescribed by the RBI which, inter alia, includes the following:

- Liquidity risk management should include decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk and overseeing the liquidity positions of all branches;

F. Asset Liability Management Committee (ALCO)

In accordance with the RBI Master Directions and in line with other applicable provisions, the Board of Directors constituted the Asset Liability Management Committee (ALCO).

The composition of the ALCO Committee as on March 31, 2025 is as follows:

- Mr. Monu Ratra – Chairman
- Mr. Srinivasan Sridhar – Member
- Ms. Mohua Mukherjee – Member
- Mr. Kabir Mathur – Member
- Mr. Venkataraman Rajamani - Member
- Mr. Mohit Kumar - Member
- Mr. Pradeep Kumar Rangii – Member
- Mr. Sumit Jhunjunwala - Member

During the year under review, the Committee met four times on May 15, 2024, August 22, 2024, November 18, 2024 and February 17, 2025.

Annexure V (Contd)

- Management of market risks
- Funding and capital planning
- Profit planning and growth projection
- Forecasting and analysing 'what if scenario' and preparation of contingency plans
- Review of all investments and liabilities
- To review changes, if any, in Prime Lending Rate (PLR)

G. IT Strategy Committee

In accordance with the pursuant to Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023

The number of the meetings held and attended by the members of the IT Strategy Committee during the FY 2024-25 are summarised below:

Name of the Member	Member of Committee since	Category	No. of meetings entitled to attend	No. of meetings attended
Mr. Mohan Sekhar*	July 29, 2024	Independent Director	3	3
Mr. Srinivasan Sridhar	January 28, 2019	Non-Executive Director	4	3
Mr. Ramakrishnan Subramanian^	April 01, 2024	Independent Director	4	4
Mr. Kabir Mathur**	November 21, 2024	Nominee Director	2	0
Mr. Monu Ratra	January 28, 2019	Executive Director & CEO	4	4
Ms. Abhishikta Munjal***	October 21, 2021	Head- Product, Policy and Process	2	2
Mr. Rachit Gehani****	January 28, 2019	Chief Technology Officer	2	2
Mr. Nandan Gandre*****	April 01, 2024	Chief Information Security Officer	2	2

*Mr. Mohan Sekhar, Independent Director, inducted to the IT Strategy Committee as Chairman with effect from July 29, 2024.

**Mr. Kabir Mathur, Nominee Director, inducted to the IT Strategy Committee as a Member with effect from November 21, 2024.

^Mr. Ramakrishnan Subramanian, Independent Director inducted to the IT Strategy Committee with effect from April 01, 2024.

***Ms. Abhishikta Munjal ceased to be a member of IT Strategy Committee with effect from November 21, 2024.

**** Mr. Rachit Gehani ceased to be a member of IT Strategy Committee with effect from November 21, 2024.

*****Mr. Nandan Gandre was inducted into the IT Strategy Committee with effect from April 01, 2024 and he ceased to be a member of IT Strategy Committee with effect from November 21, 2024.

Refer section “Remuneration of Directors” for details pertaining to the shares held by the Committee members.

The terms of reference of the Committee are in line with guidelines prescribed by RBI which, inter alia, include the following:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business

and in line with other applicable provisions, the Board of Directors constituted IT Strategy Committee.

The Composition of IT Strategy Committee as on March 31, 2025 is as follows:

- Mr. Mohan Sekhar – Chairman
- Mr. Srinivasan Sridhar – Member
- Mr. Ramakrishnan Subramanian– Member
- Mr. Kabir Mathur – Member
- Mr. Monu Ratra – Member

During the year under review, the Committee met four times i.e., on June 25, 2024, September 25, 2024, December 17, 2024 and March 18, 2025.

- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources
- Ensuring proper balance of IT investments for sustaining HFC’s growth and becoming aware about exposure towards IT risks and controls
- Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives;



Annexure V (Contd)

- VII. Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;
- VIII. Ensure that the RE has put in place processes for assessing and managing IT and cybersecurity risks;
- IX. Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the RE's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
- X. Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the RE.

Name of the member	Member of Committee since	Category
Mr. Monu Ratra	January 24, 2023	Executive Director & CEO
Mr. Mathew Joseph	November 21, 2024	Independent Director
Mr. Ramakrishnan Subramanian	April 01, 2024	Independent Director
Mr. Pradeep Kumar Rangi	February 10, 2025	Chief Risk Officer
Mr. Sumit Jhunjhunwala	February 10, 2025	Chief Financial Officer

Except Mr. Monu Ratra and Mr. Sumit Jhunjhunwala who holds 100 shares each as a nominee of IIFL Finance Limited, none of the other Committee member held any shares in the Company.

The terms of reference of the Committee are in line with guidelines prescribed by RBI which, inter alia, include the following:

- The proposal of the Identification Committee along with the written representation received shall be considered by the Review Committee.
- The Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and passes its order.
- The Review Committee shall pass a reasoned order and the same shall be communicated to the Wilful defaulter.

Senior Management:

The Particulars of Senior Management for the financial year ended March 31, 2025, are as follows:

Full Name	Current Designation
Mr. Monu Ratra	Executive Director & CEO
Mr. Ajay Jaiswal	Company Secretary and Compliance Officer
Mr. Sumit Jhunjhunwala	Chief Financial Officer
Mr. Pradeep Kumar Rangi	Chief Risk Officer
Ms. Richa Bharadwaj	Chief Compliance Officer
Mr. Rachit Gehani	Chief Technology Officer
Ms. Abhishikta Munjal	Head – Product, Policy and Process
Ms. Anjali Chadha	Head Operations
Mr. Lokesh Goyal	Head Colletral Risk
Mr. Manoj Kumar	Head Legal

H. Wilful Defaulter Review Committee

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 read with Guidelines on Wilful Defaulters, the Board of Directors constituted Wilful Defaulter Review Committee.

The Composition of Wilful Defaulter Review Committee as on March 31, 2025, is as follows:

- Mr. Monu Ratra - Chairperson
- Mr. Mathew Joseph – Member
- Mr. Ramakrishnan Subramanian - Member
- Mr. Pradeep Kumar Rangi - Member
- Mr. Sumit Jhunjhunwala – Member

During the year under review, the committee didn't convene any meeting.

Annexure V (Contd)

Full Name	Current Designation
Mr. Rohit Guglani	Head – Data Science
Ms. Rashmi Priya	Head- Human Resource
Mr. Iqbal Ahmad Farooqui	National Collection Manager
Mr. Mohit Kumar	National Credit Manager
Mr. Sagar Riaz	Special Projects Lead
Mr. Namala Kranth	Zonal Sales Head
Mr. Praveen Khullar	Zonal Sales Head
Mr. Amit Sengar	Zonal Sales Head

Changes in the particulars of Senior Management Personnel during the financial year are as follows:

- Ms. Richa Bharadwaj was appointed as a Chief Compliance Officer with effect from April 25, 2024.
- Mr. Gaurav Seth has stepped down from the post of Chief Financial Officer of the Company with effect from February 11, 2025 due to new professional opportunities.
- Mr. Sumit Jhunjhunwala who was serving as Head Treasury been elevated to the position of Chief Financial Officer of the Company with effect from February 12, 2025.
- Ms. Abhishikta Munjal was redesignated as Head – Product, Policy and Process with effect from February 03, 2025 due to internal restructuring within the Company.
- Mr. Pradeep Kumar Rangi was appointed as a Chief Risk Officer of the Company with effect from February 03, 2025.
- Ms. Madhvi Gupta has stepped down from the position of Marketing Head with effect from March 05, 2025.

Remuneration of Directors

Details of Remuneration for the FY 2024-25 and details of the number of shares and Convertible instruments held by Directors as on March 31, 2025 are as follows:

Name of Director	Designation	Salary and Perquisite (In ₹)	Commission / Bonus (In ₹)	Sitting fee (In ₹)	Contribution to PF and other funds, gratuity	Stock options	Number of equity shares and convertible/ non-convertible instruments held
Mr. Srinivasan Sridhar	Non – Executive Director	-	25,00,000	15,20,000	-	-	-
Ms. Mohua Mukherjee	Independent Director	-	20,00,000	7,20,000	-	-	-
Mr. Venkataramanan Anantharaman	Independent Director	-	20,00,000	11,90,000	-	-	-
Mr. Mathew Joseph	Independent Director	-	20,00,000	12,00,000	-	-	-
Mr. Ramakrishnan Subramanian	Independent Director	-	20,00,000	7,50,000	-	-	-
Mr. Mohan Sekhar#	Independent Director	-	15,06,850	5,80,000	-	-	-
Mr. Kabir Mathur	Nominee Director	-	-	-	-	-	-
Mr. Nirmal Jain	Non-Executive Director	-	-	-	-	-	-
Mr. Venkataraman Rajamani	Non-Executive Director	-	-	-	-	-	-
Mr. Monu Ratra	Executive Director & CEO	12,10,91,127	4,50,00,000	-	-	2,68,823	100*

Note:

- The remuneration of Mr. Srinivasan Sridhar, Ms. Mohua Mukherjee, Mr. Venkataramanan Anantharaman, Mr. Mathew Joseph, Mr. Ramakrishnan Subramanian and Mr. Mohan Sekhar has been presented on the basis of commission to be paid for FY 2024-25.
- No severance fees were paid to any of the Directors during FY 2024-25.

* Monu Ratra holds shares as nominee of IIFL Finance Limited.

#Mr. Mohan Sekhar was appointed on the Board as an Independent Director with effect from June 30, 2024.



Annexure V (Contd)

Remuneration to Non-Executive Directors

During the year, the Non-Executive Directors except Mr. Kabir Mathur (Nominee Director), Mr. Nirmal Jain and Mr. Venkataraman Rajamani are paid remuneration by way of sitting fees, commission and other expenses (travel, Boarding and lodging incurred for attending the Board/ Committee meetings).

With effect from April 30, 2024, the Company is paying sitting fees of ₹ 100,000 (Rupees One Lakh only) per meeting to the Non-Executive Directors except Mr. Kabir Mathur (Nominee Director), Mr. Nirmal Jain and Mr. Venkataraman Rajamani for Board meeting and Audit Committee. However, for other Committees, the Company is paying sitting fees of ₹ 30,000 (Rupees Thirty Thousand only) per meeting. Additionally, the Company also provided reimbursement for actual travel and out-of-pocket expenses, if any, incurred by them.

Apart from the above, the Non-Executive Directors are eligible for commission as approved by the Shareholders of the Company at the Annual General Meeting held on June 20, 2024. The amount of commission is based on the overall financial performance of the Company and Board of Directors. In addition to the aforementioned, no other remuneration is paid to the Non-Executive Independent Directors.

There are no pecuniary relationships or transactions between Non- Executive Directors and the Company. The Company has obtained a Directors and Officers Liability Insurance policy covering all its Directors and Officers in respect of any legal action that might be initiated against them.

Periodic review of compliances of all applicable laws

The Company follows a system whereby all the Acts, Rules and Regulations applicable to it are identified and compliance with such Acts, Rules and Regulations is monitored by dedicated teams on a regular basis. Verification of compliances with the major Acts/Regulations is carried out by suitable external auditors and their reports and implementation of their observations are reported to the Board / Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received from the Company in respect of various laws, Rules and Regulations applicable to the Company is placed before the Board on a regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

General body Meetings

a) Details of last three (3) Annual General Meetings which were held through Video-Conferencing and other audio-visual means:

Date of AGM	Location	Time	Whether any Special resolution was passed	Details of Special Resolution(s) passed
June 20, 2024	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	04:00 p.m.	Yes	1. To approve the appointment of Mr. Ramakrishnan Subramanian (DIN: 02192747) as Independent Director of the Company. 2. To consider and approve the payment of Commission to Non-Executive Directors of the Company for the subsequent five years i.e., FY 2024-25 to FY 2028- 29.
June 29, 2023	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	04:00 p.m.	Yes	1. To approve the alteration of Articles of Association. 2. Amendment in IIFL HFL ESOP PLAN-2022
July 20, 2022	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	04.30 p.m.	No	-

Annexure V (Contd)

b) Details of Postal Ballot conducted during the financial year:

During the year under review, no resolution was passed through the Postal Ballot.

c) Details of Extra-Ordinary General Meetings during the financial year 2024-25:

Date of AGM	Location	Time	Whether any Special resolution was passed	Details of Special Resolution(s) passed
November 21, 2024	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	03:00 p.m.	Yes	1. To approve the amendment in IIFL HFL ESOP PLAN-2022
September 26, 2024	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	12:00 p.m.	Yes	1. To approve the appointment of Mr. Mohan Sekhar (DIN: 00032093) as an Independent Director of the Company

Means of communication to the Stakeholders

The primary source of information for the shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company www.iiflhomeloans.com. The Annual Report, quarterly financial results, corporate actions and copies of press releases, if any, among others, are regularly submitted to the Stock Exchanges and uploaded on the website of the Company including Quarterly / Annual Financial Results in accordance with the SEBI Listing Regulations. All the disclosures made to the Stock Exchanges are also available on the website of the Company i.e. <https://www.iiflhomeloans.com/investor-relations>. The quarterly and annual results of your Company were published in widely circulated English newspaper(s) namely Indian Express and Free Press Journal. The debenture holders can send their queries/complaints at the designated email address at secretarialhfc@iiflhomeloans.com / hfcinvestors@iiflhomeloans.com.

General Shareholder Information

The Company is registered with ROC Mumbai, Maharashtra. The CIN allotted to the Company is U65993MH2006PLC166475.

1	Date, time and venue of Annual General Meeting	July 31, 2025 (Thursday) at 11:00 A.M. to be conducted through video conferencing and other audio visual means. (Deemed venue of the meeting: Registered office of the Company i.e., IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane- 400604)
2	Finance Year	April 1, 2024 to March 31, 2025 (FY 2024-25)
3	Dividend payment date	The Company has not declared any dividend during FY 2024-25.
4	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	Publicly issued Non-Convertible Debentures (NCDs) are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and privately placed NCDs are listed on NSE. The Listing fees as applicable have been duly paid to stock exchanges. NSE Address: Listing Department, The National Stock Exchange of India Limited, Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. BSE Address: Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001.
5	Stock Code	Not applicable
6	Market price data- high, low during each month in last financial year	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange



Annexure V (Contd)

7	Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange
8	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not Applicable
9	Registrar to an issue and share transfer agents	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Telephone: 022-49186000 Email: bonds.helpdesk@linkintime.co.in
10	Share transfer system	Equity shares- Registrar and Transfer Agent NCDs are in dematerialized form transfer and transmission of security is outsourced to Registrar and transfer agent
11	Distribution of shareholding	Refer details under the tab Shareholding Pattern
12	Dematerialization of Shares and liquidity	All shares are in dematerialized form. ISIN allotted to the equity shares of the Company is INE477L01019.
13	Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity	Not Applicable
14	Commodity price risk or foreign exchange risk and hedging activities	Commodity price risk is not applicable and all our external borrowings in foreign currency are fully hedged.
15	Plant locations	Not Applicable
16	Address for Correspondence	Mr. Ajay Jaiswal, Company Secretary & Compliance Officer Plot No. 98, IIFL Towers, Udyog Vihar, Phase IV, Gurgaon, Haryana- 122015
17	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	The details are provided below
18	Debtenture Trustee	1. Catalyst Trusteeship Limited Unit No-901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 Tel.: +91 22 4922 0555 Email: ComplianceCTL-Mumbai@ctltrustee.com 2. Vistra ITCL (India) Limited 505, A-2, The Capital G Block, Bandra Kurla Complex Bandra (East), Mumbai 400051 Tel.: +91 022-69300045 Email: itclcomplianceofficer@vistra.com

Annexure V (Contd)

Details of Rating as on March 31, 2025 and March 31, 2024

Instruments	Rating Agency	Ratings as on March 31, 2025	Ratings as on March 31, 2024
Non-Convertible Debentures	CRISIL Limited	CRISIL AA/Stable	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
	ICRA Limited	[ICRA]AA; (Stable)	[ICRA]AA; Placed on 'Rating Watch with Negative Implications'
	Brickwork Ratings	BWR AA+/Negative NA	BWR AA+/Negative
	CARE		CARE AA (RWD) Placed on 'Rating Watch with Developing Implications'
Long Term Principal Protected Market Linked Debentures	India Ratings	IND AA/Stable	IND AA/Rating Watch With Negative Implication
	CRISIL Limited	CRISIL PP-MLD AA/Stable	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
	ICRA Limited	PP-MLD[ICRA]AA(Stable);	PP-MLD[ICRA]AA; Placed on 'Rating Watch with Negative Implications'
			[ICRA]AA; Placed on 'Rating Watch with Negative Implications'
Subordinated Debt	ICRA Limited	[ICRA]AA(Stable);	BWR AA+/Negative
	Brickwork Ratings	BWR AA+/Negative	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AA/Stable	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
			CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
Bank Loan	CRISIL Limited	CRISIL AA/Stable	[ICRA]AA; Placed on 'Rating Watch with Negative Implications'
	ICRA Limited	[ICRA]AA(Stable);	CRISIL A1+
Commercial Paper	CRISIL Limited	CRISIL A1+	ICRA A1+
	ICRA Limited	[ICRA]A1+	

Migration of Rating

During the financial year 2024-25, except change in outlook, there is no migration of ratings.

Shareholding Pattern

Categories of Equity Shareholders as on March 31, 2025

Name of Shareholder	Category of Shareholder	Number of shares	% of Shareholding
IIFL Finance Limited	Promoter	2,09,67,681	79.59
Platinum Owl C 2018 RSC Limited, acting in its capacity as the trustee of Platinum Jasmine A 2018 Trust	Non-Promoter	53,76,457	20.41
Mr. Sumit Jhunjunwala*	Individual	100	-
Ms. Richa Bharadwaj *	Individual	100	-
Mr. Monu Ratra*	Individual	100	-
Ms. Abhishikta Munjal *	Individual	100	-
Mr. Ajay Jaiswal *	Individual	100	-
Total		2,63,44,638	-

*Individual shareholders are holding shares as nominee of IIFL Finance Limited (the holding Company).



Annexure V (Contd)

Other Disclosures

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

During the year under review, there were no material related party transactions that may have any conflict of interest with the Company in accordance with the provisions of section 188 of the Act and Regulation 23 read with Regulation 62K of the SEBI Listing Regulations. All related party transactions were entered in ordinary course of business and on arm's length basis and were approved/reviewed by the Audit Committee. The details of related party transactions entered into by the Company are provided in the notes to the financial statements of the Company in accordance with the provisions of applicable accounting standards. You may refer to Note no. 41 of the Standalone Financial Statement which contains related party disclosures.

The Company has put in place a Related Party Transactions Policy (RPT) which was approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements in compliance with the Act and SEBI Listing Regulations. The policy on the materiality of RPTs (part of the Related Party Transaction Policy) and dealing with RPTs as approved by the Board may be accessed on the website of the Company i.e. <https://www.iiflhomeloans.com/investor-relations/corporate-governance>.

(b) Details of Strictures and Penalties

During the year under review and also during the last three financial years, no strictures/ penalties were imposed on the Company by Stock Exchanges, Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets.

No fines/penalties have been levied by Stock Exchanges, Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets during the year 2024-25.

Your Company received letter dated February 09, 2024, bearing the reference number SEBI/HO/DDHS-SEC1/P/OW/2024/5808/1 from SEBI ("SEBI Letter") in connection with incentives provided to certain category of investors of the non-convertible debentures issued by the Issuer in accordance with the terms stipulated under certain public issuances of debentures between August 9, 2021, until November 30, 2023. SEBI pursuant to its notice dated June 14, 2024, addressed to our Company, by issuing a notice for summary settlement of the probable proceedings under the

SEBI (Settlement Proceedings) Regulations, 2018 as provided in the SEBI Letter and raised a remittance for the settlement amount of ₹ 6,25,000. Your Company had filed a settlement application dated July 03, 2024 and paid the settlement amount of ₹ 6,25,000.

(c) Details of establishment of vigil mechanism/whistle blower policy and affirmation that no personnel was denied access to the Audit committee

In Compliance with the Act and SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violations of the Company's Code of Conduct or ethics policy. The Policy provides adequate safeguard against the victimization of whistle blowers, who avails such mechanism and also provides for the access to the Chairman of Audit Committee.

During the year under review, none of the whistleblowers have been denied access to the Audit Committee.

The Policy on Vigil Mechanism as approved by the Board may be accessed on the website of the Company i.e. <https://www.iiflhomeloans.com/investor-relations/corporate-governance>.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed for HVDLEs in the SEBI Listing Regulations to the extent applicable to the Company. The Company also complies with the notified Secretarial Standards on the Board and General Meetings as issued by the Institute of the Company Secretaries of India. The Certificate regarding compliance with the conditions of Corporate Governance received from Mr. Sachin Khurana, Practicing Company Secretary is attached and forms part of this report.

The status of Compliance with the Non- mandatory recommendation in the SEBI Regulations is as follows:

- The Internal Auditor has direct access to the Audit Committee.
- The Company follows a robust process of communicating with the shareholders which has been explained earlier in the report under "Means of Communication".

(e) Web link where policy for determining 'material' subsidiaries is disclosed at : The policy for determining the material subsidiaries has been posted on the website of the Company and can be viewed at: <https://www.iiflhomeloans.com/corporate-governance>. The Company has no material subsidiary.

Annexure V (Contd)

- (f) Web link where policy on dealing with related party transactions is disclosed at: The policy on dealing with related party transactions has been posted on the website of the Company and can be viewed at: <https://www.iiflhomeloans.com/corporate-governance>
- (g) Disclosure of commodity price risks and commodity hedging activities: Commodity price risk is not applicable and all our external borrowings in foreign currency are fully hedged.
- (h) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : **Not Applicable**

- (i) A certificate from a company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority - forms part of this report.
- (j) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: No such instance was reported.

(k) Total Fees to Statutory Auditor

Total fees (inclusive of 9% GST and other taxes as applicable) for all services paid by the Company and its subsidiary, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Particulars	Amount (₹ in Cr)(HFC)	Amount (₹ in Cr)(IIHFL Sales)	Amount (₹ in Cr)(Consol)
Audit Fee	0.70	0.02	0.72
Limited Review	0.98	0.06	1.04
Other matters and certification	0.39	-	0.39
Out of Pocket Expenses	0.26	0.00	0.26
Others, if any	-	-	-
Total	2.33	0.09	2.41

The Company or its subsidiary company has not availed any of the prohibited non-audit services mentioned under clause (a) to (i) of section 144 of the Act from the Statutory Auditor or any of their network firms. The other permitted non audit non- restricted services provideda by the Statutory Auditor were approved by the Audit Committee and were not material in nature.

(l) Prevention of Sexual Harassment

The Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on the prevention of Sexual Harassment of Women at Workplace and has constituted an Internal Complaints Committee. During the year under review, there were neither any complaint received nor any outstanding.

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of financial year: Nil

Number of workshops or awareness programmes against sexual harassment carried out: The Company regularly sensitizes its employees on the prevention of sexual harassment through online training.

(m) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

Except for transactions mentioned under related party transactions, no loans and advances are granted to firms/companies in which Directors are interested.

(n) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries- IIHFL Sales Limited, the subsidiary company of IIFL Home Finance Limited has not been recognized as a Material Subsidiary. Thus, this clause is not applicable during the review period.

(o) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above,



Annexure V (Contd)

with reasons thereof shall be disclosed: Company is complied with the requirements

(p) There has been no instances of breach of covenants of loan availed or debt securities issued during the financial year ended March 31, 2025.

(r) Among discretionary requirements, as specified in Part E of Schedule II of SEBI Listing Regulations and other acts, rules, regulations and guidelines as applicable, the Company has adopted the following:

a) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Company has appointed Non-Executive Director as a Chairman of the Company who is not related to CEO of the Company.

b) Reporting of Internal Auditor to Audit Committee: Complied. The reports of internal audit are placed for review before the Audit Committee of the Company every quarter.

c) Modified opinion in audit report: The Auditors of the Company have issued an unmodified opinion on financial statements of the Company for FY 2024- 2025. The Company has adopted a regime of unqualified financial statements and unmodified audit opinion.

(s) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (a) to (i) of Regulation 62 (1A) together with Chapter VA of the SEBI Listing Regulations shall be made in the section on corporate governance of the annual report.

The Company has complied with all applicable provisions of the Act including secretarial standards.

During the year under review, the Company has complied with all the covenants relating to loans availed on debt securities issued by the Company.

The Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 read with Chapter VA of the SEBI Listing Regulations, which have become applicable to the Company as a HVDLEs.

The Certificate pursuant to Regulation 17(8) read with 62D(14) and Part B of Schedule II of SEBI Listing Regulations by Executive Director & CEO and Chief Financial Officer forms part of this report.

Declaration signed by the Chief Executive Officer stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management.

The confirmation from the Chief Executive Officer regarding compliance with the Code by all the Board Members and Senior Management forms part of the Report. The Code of Conduct is displayed on the website of the Company i.e. www.iiflhomeloans.com.

Compliance certificate from either the auditors or Practising company secretaries regarding compliance with conditions of corporate governance shall be annexed to this report.

The certificate received from the Secretarial Auditors of the Company, M/s. RMG & Associates, Practising Company Secretary confirming the compliance of conditions of corporate governance is annexed to this Report in terms of the provisions of Part E of Schedule V of the SEBI Listing Regulations.

Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

Disclosure of certain types of agreements binding listed entities: Not Applicable

For and on behalf of the Board of Directors

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai

Venkataraman Rajamani
Director
DIN: 00011919
Place: Mumbai

Date: May 06, 2025

Annexure V (Contd)

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors

IIFL Home Finance Limited

Compliance Certificate as required under Regulation 17(8) read with 62D(14) and Part B of Schedule II of SEBI Listing Regulations.

We Monu Ratra, Executive Director & CEO and Sumit Jhunjunwala, Chief Financial Officer of the Company hereby certify that:

- A. We, have reviewed Financial statements and the Cash Flow statement for the year under review and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of their knowledge and belief, there were no transactions entered into by the listed entity during the year that were fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting. We have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
 - (1) Significant changes in internal control over financial reporting during the year
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
 - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the listed entity's internal control system over financial reporting

Monu Ratra
Executive Director & CEO
DIN: 07406284
Date: May 06, 2025

Sumit Jhunjunwala
Chief Financial Officer



Annexure V (Contd)

Declaration on Compliance with the Code of Conduct

Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, this is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the Company's website.

I confirm that the Company has, with respect to the financial year ended on March 31, 2025, received from the Board Members and Senior Management Personnel of the Company, declaration of compliance with the Code of Conduct as applicable to them.

For IIFL Home Finance Limited

Monu Ratra

Executive Director & CEO

DIN: 07406284

Place: Gurugram

Date: May 06, 2025

Annexure V (Contd)

COMPLIANCE CERTIFICATE

[Pursuant to Notice No. 20220107-16 read with Schedule V Para E of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

IIFL Home Finance Limited

[CIN: U65993MH2006PLC166475]

IIFL House, Sun Infotech Park, Road No. 16V,

Plot No. B-23, MIDC, Thane Industrial Area,

Wagle Estate, Thane, Maharashtra, 400604

We have examined the compliance of conditions of Corporate Governance of **IIFL Home Finance Limited** (hereinafter referred to as "the Company"), having its Registered Office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane, Maharashtra, 400604 and Corporate Office at Plot No. 98 Udyog Vihar Phase IV Gurgaon Haryana 122015 for the financial year ended on March 31, 2025 as stipulated in Regulations 17 to 27, Regulation 62 and Para C,D and E of Schedule V read with Chapter VA of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Responsibility of Practicing Company Secretary

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

Certification

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations.

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

For RMG & Associates

Company Secretaries

Firm Registration No. P2001DE016100

Peer Review No. : 6403/2025

Place: New Delhi

Date: May 06, 2025

UDIN: F010098G000274626

CS Sachin Khurana

Partner

FCS: 10098; C.P. No.: 13212



Annexure V (Contd)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Notice No. 20220107-16 read with Schedule V Para C clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
IIFL Home Finance Limited
(CIN: U65993MH2006PLC166475)
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area,
Wagle Estate, Thane, Maharashtra – 400604

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IIFL Home Finance Limited (CIN: U65993MH2006PLC166475)** (hereinafter referred to as “the Company”) having its Registered Office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane, Maharashtra – 400604 and Corporate Office at Plot No. 98 Udyog Vihar Phase IV Gurgaon Haryana 122015 as produced before us by the Company for the purpose of issuing this certificate, in accordance with the provisions of Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (“SEBI Listing Regulations”)

In our opinion and to the best of our information and to the extent of accessibility of the data or information as available and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the Financial Year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (“SEBI”), Ministry of Corporate Affairs (“MCA”) or any such other statutory authority.

S. No.	DIN	Full Name	Designation
1.	00004272	Mr. Srinivasan Sridhar	Director
2.	08714909	Ms. Mohua Mukherjee	Director
3.	01223191	Mr. Venkataramanan Anantharaman	Director
4.	01033802	Mr. Mathew Joseph	Director
5.	02192747	Mr. Ramakrishnan Subramanian	Director
6.	00032093	Mr. Mohan Shekhar	Director
7.	08635072	Mr. Kabir Mathur	Nominee Director
8.	00010535	Mr. Nirmal Bhanwarlal Jain	Director
9.	00011919	Mr. Venkataraman Rajamani	Director
10.	07406284	Mr. Monu Ratra	Whole Time Director & CEO

Ensuring the eligibility for the appointment/continuity of a Director on the Board of the Company is the ultimate responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of the disclosures/information provided by the management of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No. : 6403/2025

CS Sachin Khurana
Partner
FCS: 10098; C.P. No.: 13212

Place: New Delhi
Date: May 06, 2025
UDIN: F010098G000274637

Management Discussion and Analysis

Economy Overview

Global economy¹

Overview

In CY24, the global economy remained resilient, expanding by an estimated 3.3% despite facing multiple headwinds, including supply chain disruptions, inflationary pressures and geopolitical uncertainty. The United States economy performed robustly, supported by low unemployment, strong consumer spending and solid corporate earnings. However, the introduction of new tariff measures towards the end of the year posed emerging challenges. The European economy, in contrast, grappled with stagnation, driven by persistent geopolitical tensions and increased geo-economic fragmentation. Germany, the region’s economic engine, underperformed due to sustained weakness in its manufacturing sector and ongoing supply chain constraints. Meanwhile, China’s growth lagged expectations amid continued softness in the real estate sector and broader structural headwinds.

Compared to developed economies, which grew at a rate of 1.8%, Emerging Market and Developing Economies (EMDEs) have performed better, growing at a rate of 4.3%. Inflation decreased from 6.7% in CY23² to 5.7% in CY24 as a result of proactive monetary measures implemented by central banks worldwide, which boosted consumer confidence and accelerated economic growth.

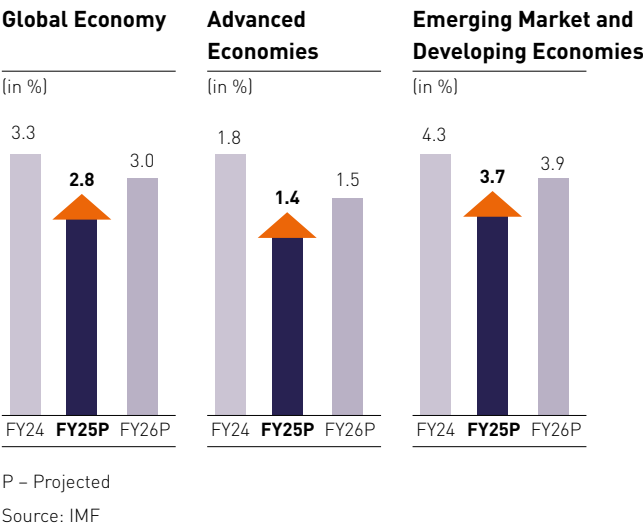
Outlook

In CY25, global economic growth is projected to moderate slightly to 2.8%, reflecting the uncertainty arising from newly imposed U.S. tariffs, which pose potential disruptions to global supply chains. On a positive note, accommodative monetary policies

adopted by governments worldwide are expected to support price stability and stimulate economic activity, contributing to long-term economic resilience. These policy measures, combined with easing inflationary pressures, are anticipated to provide significant support to the global economy. Global headline inflation is projected to decline to 4.3% in CY25 and further to 3.6% in CY26.

There is a cautious optimism with respect to the outlook for both Emerging Market & Developing Economies (EMDEs) and Advanced Economies, with a projected growth rate of 3.7% in CY25 for EMDEs and 1.4% for Advanced Economies in the same period.

World GDP Growth Trends



Indian economy³

Overview

In FY25, the Indian economy managed to sustain its position as one of the fastest growing major economies in the world by reaching an estimated GDP growth rate of 6.5% despite economic hurdles. This growth can be credited to a strong services sector performance. The IT and software, financial services and e-commerce exhibited a positive trajectory of growth.

Although, consumption in urban areas witnessed stabilisation, the consumption levels in rural areas remained strong.

Strategic actions implemented by the government has stimulated economic activity and infrastructure development. Important industries like manufacturing and agriculture benefited from the government’s tailored policy such as the ‘Make in India’ scheme.

The manufacturing sector witnessed growth directed by good domestic demand and increased exports. The growth was further boosted by declining inflation, which fell from 5.4% in FY24⁴ to 4.7% in FY25. This improved consumer confidence, which in turn led to higher consumption in both urban and rural areas.

Outlook

The Indian economy is expected to sustain its growth momentum and is forecasted to grow at an estimated 6.5% in FY26. The government’s income tax reform, which exempted salaried individuals earning up to ₹ 12.75 lakh from income tax,⁵ will support this robust growth. In light of this, the government’s strong infrastructure drive, which is funded by 11.21 lakh crore this union budget,⁶ is another pillar of growth. In accordance with the government, the RBI is also attempting to increase economic activity through the use of an expansionary monetary policy plan,

¹<https://www.imf.org/en/Publications/WE0/Issues/2025/04/22/world-economic-outlook-april-2025>

²<https://www.imf.org/en/Publications/WE0/Issues/2025/01/17/world-economic-outlook-update-january-2025>

³<https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULL22042025F03F83AE118C4B3B84E662D980C8DE33.PDF>

⁴<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097919#:~:text=India's%20real%20GDP%20growth%20is,by%206.4%20per%20cent%20FY25.>

⁵<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2098353>

⁶<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2098353>



Management Discussion and Analysis

Economy Overview

Global economy¹

Overview

In CY24, the global economy remained resilient, expanding by an estimated 3.3% despite facing multiple headwinds, including supply chain disruptions, inflationary pressures and geopolitical uncertainty. The United States economy performed robustly, supported by low unemployment, strong consumer spending and solid corporate earnings. However, the introduction of new tariff measures towards the end of the year posed emerging challenges. The European economy, in contrast, grappled with stagnation, driven by persistent geopolitical tensions and increased geo-economic fragmentation. Germany, the region's economic engine, underperformed due to sustained weakness in its manufacturing sector and ongoing supply chain constraints. Meanwhile, China's growth lagged expectations amid continued softness in the real estate sector and broader structural headwinds.

Compared to developed economies, which grew at a rate of 1.8%, Emerging Market and Developing Economies (EMDEs) have performed better, growing at a rate of 4.3%. Inflation decreased from 6.7% in CY23² to 5.7% in CY24 as a result of proactive monetary measures implemented by central banks worldwide, which boosted consumer confidence and accelerated economic growth.

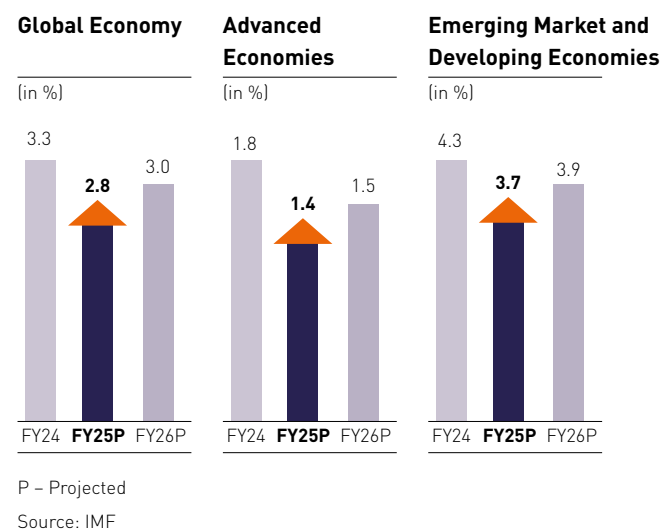
Outlook

In CY25, global economic growth is projected to moderate slightly to 2.8%, reflecting the uncertainty arising from newly imposed U.S. tariffs, which pose potential disruptions to global supply chains. On a positive note, accommodative monetary policies

adopted by governments worldwide are expected to support price stability and stimulate economic activity, contributing to long-term economic resilience. These policy measures, combined with easing inflationary pressures, are anticipated to provide significant support to the global economy. Global headline inflation is projected to decline to 4.3% in CY25 and further to 3.6% in CY26.

There is a cautious optimism with respect to the outlook for both Emerging Market & Developing Economies (EMDEs) and Advanced Economies, with a projected growth rate of 3.7% in CY25 for EMDEs and 1.4% for Advanced Economies in the same period.

World GDP Growth Trends



Indian economy³

Overview

In FY25, the Indian economy managed to sustain its position as one of the fastest growing major economies in the world by reaching an estimated GDP growth rate of 6.5% despite economic hurdles. This growth can be credited to a strong services sector performance. The IT and software, financial services and e-commerce exhibited a positive trajectory of growth.

Although, consumption in urban areas witnessed stabilisation, the consumption levels in rural areas remained strong.

Strategic actions implemented by the government has stimulated economic activity and infrastructure development. Important industries like manufacturing and agriculture benefited from the government's tailored policy such as the 'Make in India' scheme.

The manufacturing sector witnessed growth directed by good domestic demand and increased exports. The growth was further boosted by declining inflation, which fell from 5.4% in FY24⁴ to 4.7% in FY25. This improved consumer confidence, which in turn led to higher consumption in both urban and rural areas.

Outlook

The Indian economy is expected to sustain its growth momentum and is forecasted to grow at an estimated 6.5% in FY26. The government's income tax reform, which exempted salaried individuals earning up to ₹ 12.75 lakh from income tax,⁵ will support this robust growth. In light of this, the government's strong infrastructure drive, which is funded by 11.21 lakh crore this union budget,⁶ is another pillar of growth. In accordance with the government, the RBI is also attempting to increase economic activity through the use of an expansionary monetary policy plan,

¹<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

²<https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

³<https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULL22042025F03F83AE118C4B3B84E662D980C8DE33.PDF>

⁴<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097919#:~:text=India's%20real%20GDP%20growth%20is,by%206.4%20per%20cent%20FY25.>

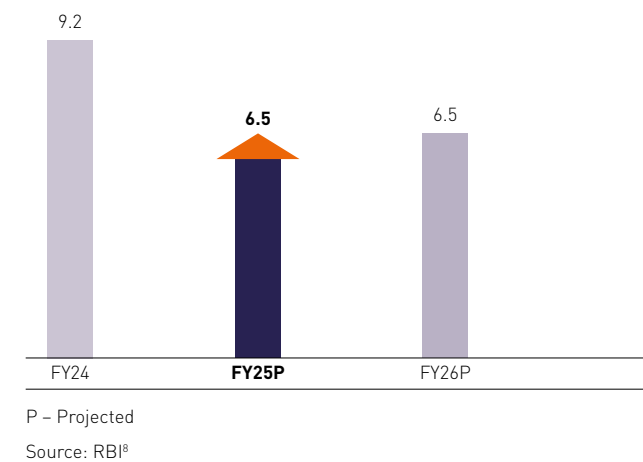
⁵<https://pib.gov.in/PressReleaseSelfframePage.aspx?PRID=2098353>

⁶<https://pib.gov.in/PressReleaseSelfframePage.aspx?PRID=2098353>

Management Discussion and Analysis (Contd)

which involves cutting interest rates back to back 2 times by 50 basis points⁷ in order to further increase consumption and provide liquidity to the economy. It is anticipated that inflation would stay steady, which will boost purchasing power and accelerate economic growth. The Indian economy is in a prime position to grow further and become a more significant role on the world arena because to its robust foreign reserves, prudent government spending and stable policies.

GDP growth trend in India



Industry Overview

Housing Finance Industry⁹

The Indian housing finance market has witnessed a significant upward growth trajectory, with the total individual housing loan portfolio reaching ₹33 trillion as of March 2024, reflecting a Compound Annual Growth Rate (CAGR) of approximately 13% over the past six years. Public sector banks hold a 40% market share, while private sector banks and Housing Finance Companies (HFCs) account for 34.5% and 19%, respectively. A notable enhancement in affordability, expedited urbanisation, the prominence of nuclear families and government initiatives like 'Housing for All' are the crucial factors directing this expansion. Notably, the residential property market has experienced a 74% hike in sales since 2019, reaching 460,000 units in 2024, highlighting sustained buyer confidence. HFCs have primarily focused on retail loans, especially in smaller ticket sizes, with loans under ₹30 lakh constituting 53% of their total assets under management as of March 2024. Asset quality has improved, with Gross Non-Performing Assets (GNPA) declining to 2.2% by March 2024 from a peak of 4.3% in March 2022. Profitability has rebounded to pre-pandemic levels, bolstered by easing credit costs and improved margins.

⁷https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=60176

⁸<https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULL22042025F03F83AE118C4B3B84E662D980C8DE33.PDF>

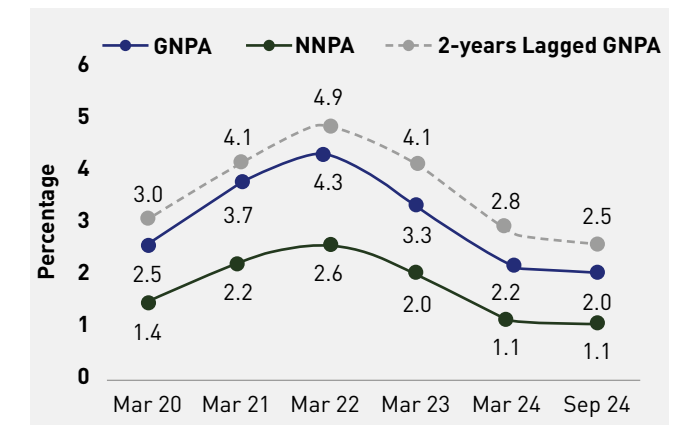
⁹https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

¹⁰https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

¹¹https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

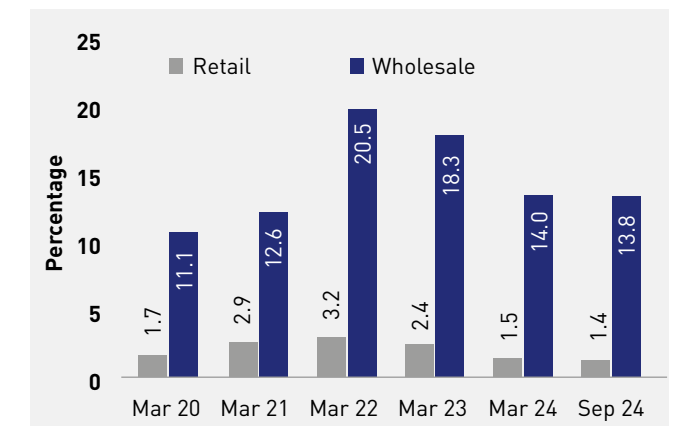
¹²https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

Overall asset quality of HFCs



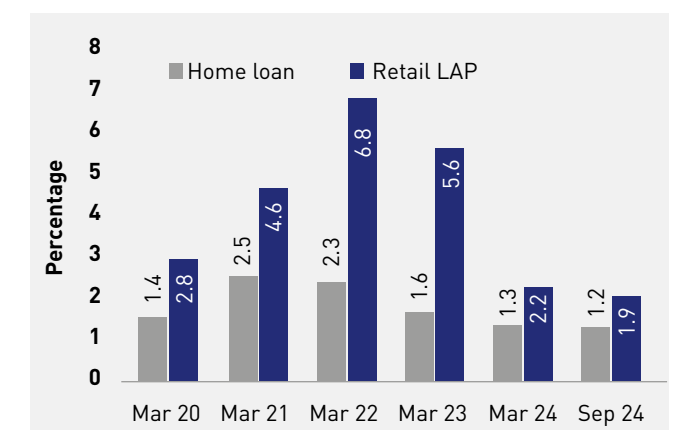
Source: CareEdge Ratings¹⁰

Retail vs wholesale GNPA



Source: CareEdge Ratings¹¹

Segment wise retail GNPA



Source: CareEdge Ratings¹²

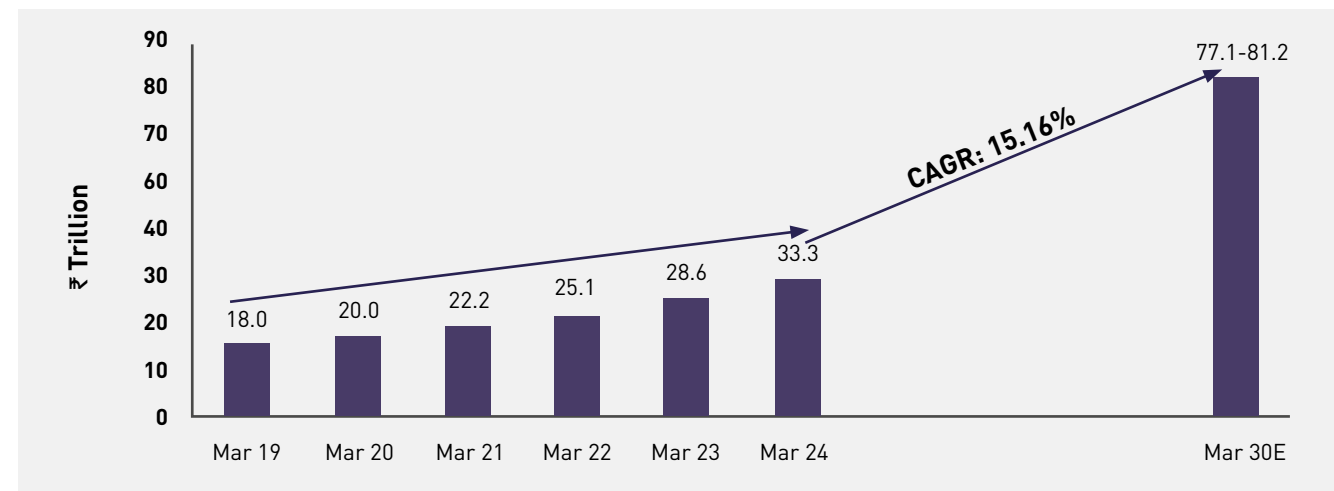


Management Discussion and Analysis (Contd)

The outlook for India's housing finance market is optimistic, with projections indicating a Compound Annual Growth Rate (CAGR) of 15-16% between FY25 and FY30, potentially doubling the market size to ₹77-81 trillion by 2030. This anticipated growth is supported by strong structural factors and favourable government policies, making housing finance an attractive asset class for lenders. While banks are expected to maintain their dominance due to advantages in funding costs and extensive reach, HFCs are likely

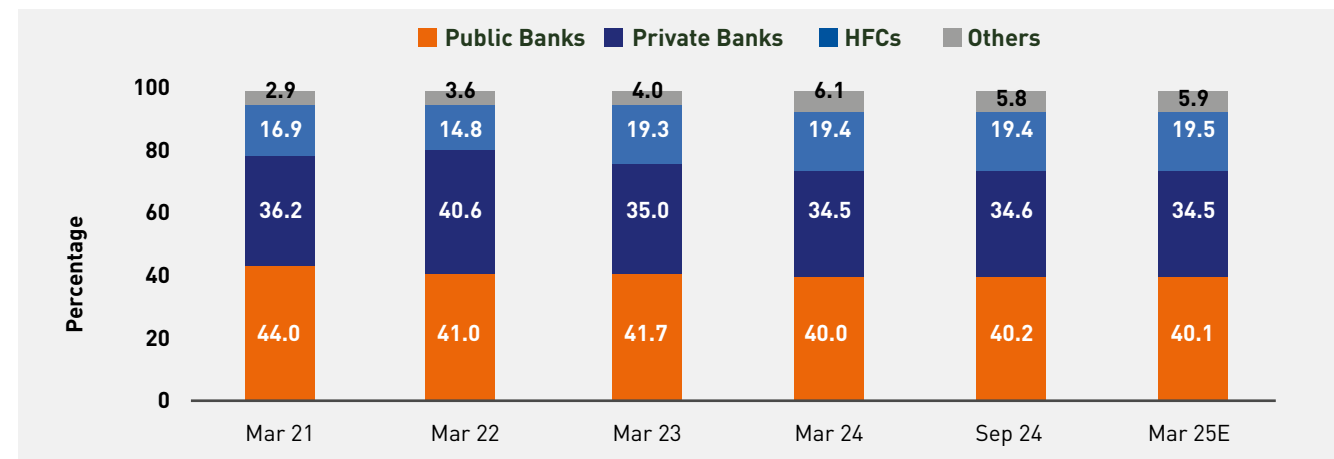
to sustain their market share by focusing on specialised products and underserved segments, particularly in tier 2 and below cities. The trend towards premiumisation in housing demand may lead to an increase in higher ticket-size loans, with HFCs gradually expanding their offerings in the ₹30-50 lakh range. Overall, the sector is poised for significant expansion, supported by a stable economic environment and proactive policy measures.

Outstanding Housing Loans (HL) Market Size



Source: CareEdge Ratings¹³

Player-Wise Housing Loan Market Share



Source: CareEdge Ratings¹⁴

Affordable Housing Finance Industry¹⁵

India's affordable housing sector is poised for significant expansion, driven by rapid urbanisation and a growing demand for cost-effective housing solutions. Currently, there is an estimated shortage of 10.1 million affordable housing units. Projections indicate that by 2030, this deficit will escalate to approximately

31.2 million units, representing a potential market size of ₹67 trillion. Notably, about 95.2% of the anticipated demand, equating to 21.1 million units, will be concentrated in urban areas, with the Economically Weaker Sections (EWS) accounting for nearly 45.8% of this requirement.

Management Discussion and Analysis (Contd)

	Shortage	Units (In mn)
(i)	11th 5-year plan (2007-12)	24.7
(ii)	Technical Group on Urban Housing, TG-12 (2012-17)	18.8
(iii)	PMAY U - completed (until 7th Oct 2024)	8.7
(iii)-(ii)	Deficit	-10.1

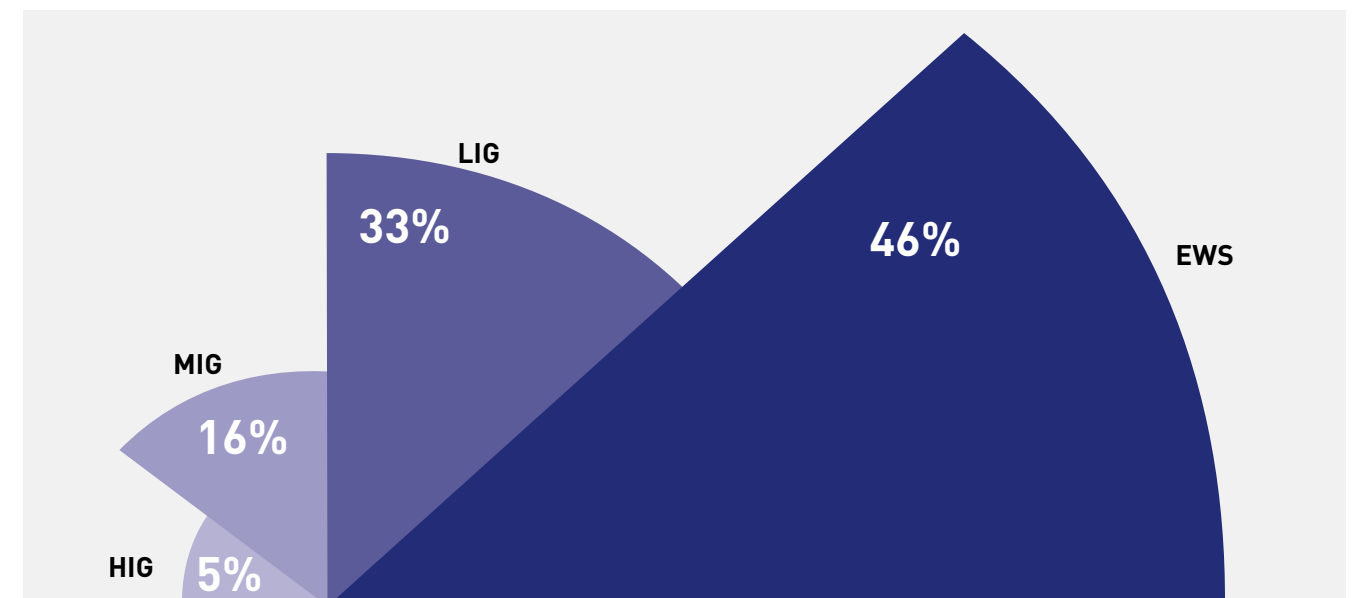
Source: Knight Frank Research¹⁶

India's affordable housing loan market is currently valued at ₹13 trillion, with Housing Finance Companies (HFCs) holding ₹6.9 trillion and Scheduled Commercial Banks (SCBs) holding ₹6.2

trillion. As demand for affordable housing continues to grow, this segment is expected to see strong expansion in consumer loans. Among all affordable housing categories, the mid and premium segment shows the highest dependence on loans.

The financing landscape for affordable housing presents substantial opportunities. With an expected loan dependency rate of 77%, the potential financing requirement for banks and Housing Finance Companies (HFCs) is projected to reach ₹45 trillion by 2030. This figure is approximately three times the current loan volume in this segment, highlighting the critical role financial institutions will play in bridging the housing gap.

Housing demand in India by 2030



Source: Knight Frank Research¹⁷

Growth Drivers

Growth Driver	Description
Government initiatives	Schemes like Pradhan Mantri Awas Yojana (PMAY) offer subsidies and incentives to augment affordable housing development and ownership.
Rapid urbanisation	Heightened migration to cities has led to a rising demand for cost-effective housing, especially among lower-income and economically weaker groups.
Favourable demographics	A young and growing workforce is driving the demand for first-time homeownership, especially in the affordable housing segment.
Economic growth	Rising income levels and improving employment opportunities are enabling more people to invest in affordable housing.
Financial sector support	Greater focus by banks and Housing Finance Companies (HFCs) on affordable housing loans is improving access to credit in this segment.
Policy reforms	Simplified regulations, faster project approvals and incentives for private developers encourage more affordable housing projects.

¹⁷<https://content.knightfrank.com/research/2940/documents/en/affordable-housing-in-india-2024-11745.pdf>

¹³https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

¹⁴https://www.careratings.com/uploads/newsfiles/1743423679_Housing%20Finance%20-%20CareEdge%20Report.pdf

¹⁵<https://content.knightfrank.com/research/2940/documents/en/affordable-housing-in-india-2024-11745.pdf>



Management Discussion and Analysis (Contd)

PESTEL Analysis of Affordable Housing Industry in India



Political

- Sustained government focus on Housing for All: PM Awas Yojana – Urban 2.0 continues to drive the government’s push for affordable housing. As of early 2025, over 3 crore homes have been sanctioned under both PMAY-U and PMAY-G combined.
- Strengthening RERA (Real Estate Regulatory Authority) Enforcement: The Real Estate (Regulation and Development) Act continues to offer greater transparency and accountability. States are enhancing their enforcement capabilities, leading to higher compliance among developers and improved buyer confidence.
- Urban Infrastructure Initiatives: The Government’s Smart Cities Mission and Atal Mission for Rejuvenation and Urban Transformation (AMRUT 2.0) are indirectly supporting affordable housing by strengthening the infrastructure in priority cities.

- Changing Preferences: Demand is shifting towards compact, multi-functional homes near economic centres, especially among younger buyers and migrant workers.



Technological

- Tech-Enabled Financing Solutions: Fintech platforms have further streamlined housing finance. AI-driven underwriting and digital KYC processes now enable approvals in under 48 hours for many applicants.
- Digital Property Platforms: Prop-tech startups are gaining prominence, offering services like virtual property tours, AI-based price comparisons and automated legal checks which is helping first-time buyers navigate the market more easily.
- Innovations in Construction: Pre-fabricated structures, 3D printing and modular construction methods are gaining popularity in large-scale affordable housing projects, streamlining costs and timelines significantly.



Economic

- Improving Interest Rate: RBI has brought down the repo rate to 6% which is helping to ease home loan interest rates. This aids affordability for first-time buyers, especially in the EWS and LIG segments.
- Rising Disposable Income: India’s per capita income saw a rise in the latest financial year compared to the previous one which offers a modest boost to home affordability.
- Affordability Index Challenges: Despite rising incomes, housing affordability remains a concern in metros. The urban affordability index has marginally improved to 4.6 (house price to income ratio), indicating slow but positive progress.



Environmental

- Mandatory Green Building Norms: Environmental sustainability is now a key compliance requirement. Green building certifications like IGBC (Indian Green Building Council) and GRIHA (Green Rating for Integrated Habitat Assessment) are being increasingly adopted, especially in public housing projects.
- Climate Resilience Standards: With growing climate-related risks, urban housing projects are now integrating disaster-resilient designs. Compliance with the National Building Code is being closely monitored.
- Focus on Energy Efficiency: Rooftop solar integration, rainwater harvesting and passive cooling techniques are now being incorporated into affordable housing models, especially under government-led schemes



Social

- India’s predominantly young population continues to drive strong aspirations for homeownership. The rise in nuclear families, combined with increasing migration to urban centres, is contributing to sustained housing demand. These demographic trends underscore the long-term requirement for affordable housing, particularly in urban and peri-urban areas.
- Urbanisation Pressures: Urban population is expected to reach remarkable heights, accelerating the urgency to supply low-cost housing with access to transport, employment and essential services.



Legal

- Digitisation of Land Records: Government initiatives to digitise land records under the ‘Digital India Land Records Modernisation Programme (DILRMP)’ are helping reduce fraud and expediting approvals in many states.

Management Discussion and Analysis (Contd)

Company Overview

IIFL Home Finance Ltd. (IIFL HFL/The Company) provides affordable home loans to first-time homebuyers from the Economically Weaker Sections (EWS) and Lower Income Groups (LIG) of the country, promoting inclusivity, women’s empowerment and sustainable development. With advanced IT infrastructure and an asset-light model, it ensures a seamless loan process while expanding its reach across India through over 376 branches in 18 states and 2 UTs. Aligned with the vision of Housing for All, IIFL HFL is the largest affordable housing finance company in India, with an average ticket size of ₹14.88 lakh (approximately \$0.018 million).

IIFL HFL, India’s leading affordable housing finance company is a subsidiary of IIFL Finance Ltd., with 79.59% shareholding, while Abu Dhabi Investment Authority holds 20.41% stake in the Company.

They utilise cutting-edge technology to simplify and expedite the entire process of loan advancement for customers. IIFL HFL has advanced 4.5 lakh total loan accounts since inception, helping over 2.97 lakh first-time homebuyers.

The Company is also committed to sustainable development. Through initiatives like ‘Humara Kutumb’ and ‘Green Value Partners’, they promote green building practices in affordable housing, aiming to create eco-conscious and energy-efficient homes.

In summary, IIFL HFL plays a significant role in making homeownership accessible and sustainable for many individuals and families in India.

Business Overview

IIFL HFL maintained a moderate performance in FY25, focusing on strengthening its foundation rather than pursuing aggressive growth. While the Company remained committed to serving low- and middle-income customers, especially in smaller towns, it adopted a more cautious and strategic approach given the subdued borrowing sentiment. Contrary to previous years, there was no expansion in the branch network in fact, a few branches were rationalized to optimize operations and enhance efficiency. Despite this, the Company continued to deepen its presence in underserved geographies through digital outreach and focused customer engagement. Leveraging advanced in-house technology, IIFL HFL facilitated fully digital, paperless home loans in under 30 minutes, further improving access for informal income segments.

The Company maintained operational efficiency despite a flat financial trajectory, with CRISIL reaffirming its strong credit ratings at ‘CRISIL AA/Stable’ and ‘CRISIL A1+’ in February 2025, citing solid capital structure and stable asset quality. The AUM grew modestly by 12% to ₹39,732 crore and the loan book reached ₹25,213 crore, supported by a prudent mix of internal accruals and diversified funding sources.

IIFL HFL has been a committed partner in supporting key government initiatives to enable affordable home ownership. Under the Credit Linked Subsidy Scheme (CLSS), which was part of Pradhan Mantri Awas Yojana – Urban 1.0 (PMAY-U 1.0), the Company has supported over 73,000 beneficiaries, facilitating more than ₹1,753 crore in subsidy benefits. In addition, over 26,690 loans have been disbursed to Beneficiary-Led Construction (BLC) households, amounting to a total disbursement of ₹694 crore. With the launch of PMAY-U 2.0, IIFL HFL is actively aligning its efforts with the renewed mission framework. Overall, IIFL HFL is playing a crucial role in making affordable housing possible and empowering families to build better lives.

Outlook

IIFL HFL expects its Assets Under Management (AUM) to grow in the range of 16% to 18% over the long term, reflecting continued demand for affordable housing, particularly in smaller towns and cities. Over the long term, profit growth is projected between 18% to 20%, while maintaining a Gross Non-Performing Assets (GNPA) ratio of 1.6% to 1.8%. Operational efficiency is expected to be sustained, with the cost-to-income ratio targeted at 27% to 30% and returns remaining healthy, where return on assets (RoA) is to be in the range of 3.75% to 4.25% and return on equity (RoE) between 16% to 18%. The Company remains optimistic about steady, sustainable growth, driven by a strong digital infrastructure and continued focus on affordable housing.

Segment Overview

Home Loans

The Company advances affordable home loans to a diverse clientele including salaried individuals, self-employed professionals and small business owners. These loans facilitate the purchase, construction and renovation of residential properties. The total value of home loans (AUM) increased from ₹27,438 crore in FY24 to ₹31,588 crore in FY25, indicating growing borrower confidence. The GNPA for this segment increased slightly from 1.1% to 1.2% indicating stability despite macro stress in the affordable segment.

Secured Business Loans

The Company offers secured business loans (LAP) backed by residential or commercial properties, primarily targeting micro, small and medium sized enterprises (MSMEs). These loans meet the working capital needs and other business-related financial requirements of MSMEs. LAP AUM grew from ₹7,250 crore in FY24 to ₹7,464 crore in FY25. The GNPA on AUM increased from 2.3% to 3.4%, primarily driven by stress in the Micro LAP segment.

Affordable Housing Project Finance

The Company extends affordable housing project finance to developers focusing on affordable housing, particularly those aligned with the Government’s initiatives such as PMAY-Urban and state-led BLC schemes. These loans enable construction of cost-effective residential units catering to the Economically Weaker Sections (EWS) and Lower Income Groups (LIG). In FY25,



Management Discussion and Analysis (Contd)

the total AUM for affordable housing project finance stood at ₹ 680 crore. The segment experienced increased disbursements in key states including Gujarat, Tamil Nadu and Madhya Pradesh.

Digital Initiatives

In FY25, IIFL HFL continued its focus on investing in technology to enhance the customer experience. Digitisation and analytics across business processes have enabled greater agility, flexibility and relevance. Our partnership with the Government's Common Services Centres (CSC) platform has expanded our outreach, especially in underserved areas.

Listening to our customers, we introduced self-service options through WhatsApp, now available in 10 vernacular languages, allowing users to manage their service journeys independently and conveniently.

Our onboarding process is now smoother with the integration of the Account Aggregator framework for seamless banking

validation. We have also advanced the use of AI with the deployment of an AI chatbot for collections and automated rule engines for collection allocation and journey management.

Data security remained a core priority. We implemented a secure, efficient and scalable network using Zero Trust Network Architecture. This strategic move has strengthened our cybersecurity posture, reduced exposure to cyber threats and ensured secure, compliant access to financial systems across a distributed workforce.

Transitioning to a Zero Trust model marked a significant milestone in our cybersecurity strategy, reinforcing our defences in an increasingly complex digital landscape. As we continue to grow our geographical reach and scale our operations, we remain committed to further developing and integrating technology to support business growth and enhance customer experience.

Strength and Opportunities

Strengths of IIFL HFL

Strength	Description
 Technology-Driven Customer Focus	The Company utilises digital tools to make homeownership more affordable and accessible. With 376 touchpoints and a 'phygital' strategy, it offers tailored and transparent services while expanding into new markets.
 Efficient Credit Underwriting and Loan Processing	The Company utilises digital tools to make homeownership more affordable and accessible. With 376 touchpoints and a 'phygital' strategy, it offers tailored and transparent services while expanding into new markets.
 Robust Risk Management Framework	An adept risk management framework integrates technology and expertise to proactively identify and manage credit and operational risks, ensuring compliance and long-term stability.
 Growing Presence in Tier 3 and 4 Cities	The Company is expanding its presence in underpenetrated regions by augmenting its branch network and offering customised financial solutions, driving inclusion in underserved markets.
 Strong Corporate Governance	IIFL HFL maintains high standards of ethics and accountability through its Board, Audit and Risk Committees. This promotes transparency and strengthens stakeholder confidence.

Opportunities for IIFL HFL

Opportunity	Description
 Urbanisation and Youth-Driven Demand	Expedited urban migration and a growing, economically active youth are driving the demand for home loans, especially as younger people increasingly prioritise home ownership.
 Digital Transformation	The rising prominence of digital platforms has simplified and expedited the approval and processing of loans, helping the Company attract customers well-versed in technology and augment its market reach.
 Government Housing Schemes	Initiatives like Pradhan Mantri Awas Yojana (PMAY) and other affordable housing programmes encourage advancing loans to lower-income groups, creating a growth-friendly environment.

Management Discussion and Analysis (Contd)

Opportunity	Description
 Increasing Women Home buyers	Policies such as reduced stamp duties and targeted subsidies are encouraging more women to invest in property, contributing to the overall growth of the housing finance sector.
 Fintech and Co-Lending Partnerships	Collaboration with fintech startups and co-lending with banks allows IIFL to tap into the underserved markets, streamline processes and offer innovative lending products.
 Affordable Housing Finance Expansion	Sustained focus on affordable housing, particularly in Tier II and Tier III cities, supports volume growth in home loans and strengthens market presence.
 Green Home Loans	Heightened environmental awareness and elevated demand for sustainable living are creating opportunities for eco-friendly housing loans which encourage green construction and investment.

Risk Management

At IIFL HFL, managing risk is an integral component of the Company's operation. Acknowledging that all businesses are exposed to varied levels of risk, IIFL HFL is focused on minimising these risks as effectively as possible. The Company has a robust risk management framework in place for quick identification and mitigation of any risk that might pose a threat to the swift operations of the Company.

Risk Management Framework

IIFL HFL uses a method called the 'Three Lines of Defence' to manage risks:

- First Line:** First Line of Defence owns the risk management process to identify, manage, mitigate and report risks. First line consists of the Business control/ Internal Control Unit, Process owners, Business Team/ Product Team who bears the direct responsibility to execute day to day tasks, operation and processes.

- Second Line:** The Second Line of Defence comprises of Enterprise Risk Management and Compliance, which supports the first line of defence. Enterprise Risk Management designs and facilitates the overall risk management framework independently across organization. Compliance aggregates compliance risk across corporate departments and business units and escalates risks and control issues to senior management.

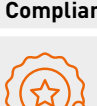
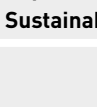
- Third Line:** Third line of Defence is Internal Audit which focuses on providing the assurance that the risk management principles/policies and processes are achieving the objective of always managing the risks of the organization.

The Company's Board of Directors and a special Risk Management Committee help guide this process, making sure risks are handled proactively while augmenting business growth in a safe and smart way.

Risk Category	Description	Mitigation Strategy
 Credit Risk	Risks arising from the probable borrower defaults.	The Company has a strong credit risk framework strengthened by defined policies and procedures. It utilises advanced analytics and machine learning tools for real-time borrower assessment. An independent internal audit team ensures policy compliance. Stress testing and sensitivity analyses are conducted to identify and monitor accounts at risk.
 Liquidity Risk	Risk associated with insufficient liquidity to meet short-term obligations or support growth.	The Company operates under a rigorous Liquidity Risk Management framework. The Asset and Liability Management (ALM) Committee monitors cash flows and ensures availability of funds at optimal cost. The ALM system is adaptive to shifting market conditions and business requirements.
 Market Risk	Risk arising out of adverse movements in interest rates, macroeconomic indicators.	The Company mitigates market risk by actively adjusting its pricing, funding mix and product structure based on market trends. It also employs strong model governance with validation, back-testing and recalibration to manage model risk effectively.



Management Discussion and Analysis (Contd)

Risk Category	Description	Mitigation Strategy
 Operational & Technology Risk	Risk arising from failed internal processes, people, systems, or external events.	IIFL HFL has implemented strong internal controls and clear role definitions to minimise operational failures. Comprehensive protocols for access, authorisation and reconciliation are in place. Credit operations are largely digitised to reduce manual errors and enhance process integrity.
 Information and Cyber Security Risk	Risk associated with cyber-security threats, data breaches, or IT infrastructure failures.	The IT Strategy Committee oversees alignment between business and IT objectives. The Company routinely updates its systems to mitigate security threats and ensure compliance with IT infrastructure standards.
 Regulatory and Financial Crime Compliance Risk	Risk of non-compliance or adverse changes in the regulatory environment.	The Company diligently monitors regulatory changes and updates its internal systems accordingly. It ensures quick adaptation to new directives to maintain compliance and operational continuity.
 Reputational and Sustainability Risk	Risk of damage to brand value and stakeholder trust due to negative public perception, ethical lapses	The Company addresses reputational risk through structured grievance redressal, media monitoring and proactive legal management. It also embeds ESG principles in operations and maintains strong corporate governance to uphold trust and transparency.
 Strategy Risk	Risk arising from flawed decisions, poor execution, or external disruptions affecting long-term goals	The Company mitigates strategic risk by integrating risk assessments into its Annual Operating Plan and conducting regular board-level reviews and scenario analyses. It also invests in talent, data governance and technology while managing key projects through structured programme oversight and risk tracking.

Threats

- **Dominance of Banks:** Banks’ significant market share in the prime home loan segment poses a competitive challenge to HFCs and NBFCs, potentially limiting their market penetration and growth.
- **Project Delays and Approvals:** A delay in projects’ approval can inhibit the construction of new properties, affecting the demand for home loans and impacting the growth of housing finance companies.
- **Collateral and Title Risks:** Risks associated with collateral fraud and discrepancies in property titles, especially in hinterlands, peri-urban areas and in relatively new developments, can lead to financial losses and undermine investor confidence.
- **Interest Rate Fluctuations:** The potential for rising interest rates, influenced by macroeconomic factors and monetary policy, can affect loan affordability and demand, posing a risk to the housing loan market growth.

- **Economic Slowdowns:** Any downturn in the economy can reduce disposable incomes and affect job security, directly impacting borrowers’ ability to take new loans or repay existing ones, thereby increasing NPAs.
- **Regulatory Changes:** Changes in regulations, such as those related to lending practices, KYC norms or taxation, can introduce operational challenges and increase compliance costs, affecting profitability and growth.

Internal Control Systems and their Adequacy

IIFL HFL has adequate internal control systems in place basis the nature, size and operations of business and processes. Internal audit is carried out as per risk based internal audit (RBIA) framework which provides an assurance on the adequacy, quality and effectiveness of internal controls systems and processes of all businesses and functions. Significant audit observations are reported and deliberated in the Board level Audit Committee along with monitoring and tracking of preventive and corrective actions..

Management Discussion and Analysis (Contd)

Customer Service and Leadership

In FY25, IIFL HFLcontinued to improve its customer service, keeping the customer at the heart of everything it does. The Company understands how difficult it can be to build or buy a home, especially for people who don’t have strong financial documents or enough support from other sources. That’s why IIFL HFL offers loan options that match the needs and situations of each customer.

The Company guides its clients in every step of the journey to their dream homes. Different teams take care of different parts of this journey to make the overall journey seamless. Further, the Company undertakes visits to customer’s communities to simplify the process of loan application and mitigate problems on the spot.

To serve people in smaller towns where regular banks are not always present, the Company uses smart technology to reach more customers and support those with limited documents. This helps bring more people into the formal financial system.

The Company has introduced WhatsApp as an additional communication channel to enhance customer convenience. Now, customers can check their loan details, download documents and make payments all through WhatsApp. The channel is available in 8 regional languages, in addition to English and Hindi, making it easier for customers to understand.

These initiatives have led to increased customer satisfaction and enabled more people to receive timely support. Going forward, IIFL HFL plans to introduce even more advanced systems to manage service requests like part-payments, loan closures and updating repayments and demographics making the overall experience faster, simpler and more convenient for customers.

Human Resource

IIFL HFLcontinued to place considerable emphasis on its people. The Company organised team outings, celebrations and rewarded top performers to motivate its workforce. Further, IIFL HFL made sure everyone felt safe and heard. Employees facing problems could access simple avenues for their communication such as through anonymous messages. The Company has established equality in pay and opportunities for all members of its workforce. For learning and growth, IIFL HFL provided regular training to help employees improve their skills. These training sessions were planned based on the needs of different teams.

All these efforts helped IIFL HFL to be recognised as a ‘Great Place to Work’ for the 7th consecutive year in a row.

Further, IIFL HFL augmented the integration of advanced digital solutions to expedite checking of loan applications and signing

of documents and enhance the ease of its operations. This further simplifies the entire journey for customers where they get quicker service with less paperwork. Through these efforts, the Company has ensured the establishment of a modern and satisfied workplace.

5387

Total Workforce

Internal Audit

IIFL HFL has set up a strong system to manage risks, making sure that everything runs smoothly and safely. Internal Audit function works in line with guidelines laid down by RBI through circular no. **RBI/2020-21/88 Ref.No.DoS.CO.PPG./SEC.05/11.01.005/2020-21 (Risk Based Internal Audit)**. They use digital tools to keep an eye on financial records, protect assets and prevent fraud while following government rules.

Their risk management follows a “Three Lines of Defence” approach, which means different teams check and balance each other to catch issues early. The Internal Audit team works separately under the guidance of the Audit Committee. They focus on the most important problems, use automated tools for better efficiency and go beyond basic legal requirements to ensure strong control.

The Company follows a risk-based audit plan, looking at possible risks and improving processes. To keep customer data safe, they have an ISO/IEC 27001:2013 certification, which shows their commitment to cybersecurity. The Board and Audit Committee regularly review everything to make sure the system stays strong and helps prevent fraud. With these efforts, the Company ensures high standards in its operations.

Cautionary Statement

This document contains forward-looking statements and information that are based upon the Company’s expectations and various assumptions at the time of writing. These statements inherently involve risks and uncertainties. In the event that any of these risks or uncertainties materialise, or should the underlying assumptions prove incorrect, the actual outcomes may significantly differ from those projected. The Company expressly disclaims any obligation to update or revise any forward-looking statements in this document, should the future developments deviate from those initially anticipated.



Independent Auditor’s Report

To the Members of **IIFL Home Finance Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of IIFL Home Finance Limited (“the Company”), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone 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 Act 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 audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
-------------------	--

Impairment of loans as at the balance sheet date (including determination of expected credit losses) (as described in note 3 (j) of the standalone financial statements)

The Company provide for impairment of its loans using the Expected Credit Loss (“ECL”) model. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions and other factors which could impact the credit quality of the Company’s loans. In the process, a significant degree of judgement has been applied by the management for:

- a) Defining qualitative/ quantitative factors for ‘significant increase in credit risk’ (“SICR”) and ‘default’.
- b) Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default, loss given default and exposure at default;
- c) Determining effect of less frequent past events on future probability of default.
- d) Determining macro-economic factors impacting credit quality of loans.

Our audit procedures included the following:

- Considered the Company’s accounting policies for impairment of loans and assessed compliance of the policies with Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines, (“the RBI Guidelines”).
- Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation.

Independent Auditor’s Report (Contd..)

Key audit matters	How our audit addressed the key audit matter
-------------------	--

In view of the high degree of management’s judgement involved in estimation of ECL, impairment of loans as at the balance sheet date (including expected credit losse) is a key audit matter.

- Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage or 3 (i.e. the default in repayment is more than 90 days).
- Tested the arithmetical accuracy of computation of ECL provision performed by the Company.
- Assessed the adequacy of disclosures included in the standalone financial statements with the relevant requirements of Ind AS 107 and 109.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director’s report, but does not include the standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive



Independent Auditor's Report (Contd..)

to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2024, included in these standalone financial statements, have been audited by the one of the joint auditors S.R. Batliboi & Associates LLP jointly with Suresh Surana & Associates LLP (predecessor joint auditors) who expressed an unmodified opinion on those statements vide their report dated May 6, 2024.

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - 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;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

Independent Auditor's Report (Contd..)

- In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 5 to the standalone financial statements;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 37(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or

provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 37(i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- No dividend has been declared or paid during the year by the Company.

- Based on our examination which included test checks, the Company has used 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 (refer Note 45B to the standalone financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**

Partner

Membership No.: 094533

UDIN: 25094533BMLXIH5690

Place: Mumbai

Date: May 6, 2025

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm registration number: 004207S

P Menakshi Sundaram

Partner

Membership No.: 217914

UDIN: 25217914BMKYKR6337

Place: Mumbai

Date: May 6, 2025



Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Re: IIFL Home Finance Limited

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.

(i) (a) (B) The Company has maintained proper records showing full particulars of Intangibles Assets recognized in the standalone financial statements.

(i) (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(i) (c) The title deeds of all the immovable properties classified as Property, Plant and Equipment, [other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee] are held in the name of the Company except following are the properties acquired through SARFAESI proceedings and are not held in the name of the Company

Particulars	Description of Property	Gross carrying value (in Crs)	Title Deeds held in the name of	Whether title deed holder is promotor, director, or relative of promotor, director or employee of promotor or director	Property held since which date	Reason for not held in the name of the company
Investment Property	Building (Pune)	2.75	Borrower to whom loan was given	No	January 10, 2020	Acquired in the SARFAESI proceedings

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(i) (e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii) (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The revised quarterly returns or statements for the quarters ended June 2024, September 2024 and December 2024 filed by the Company during the year with such banks or financial institutions are in agreement with books of account. Further, in respect of quarter ended March 2025, the return has been filed based on the provisional financial statements.

(iii) (a) Since, the Company's principal business is to give loans and accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are, prima facie, not prejudicial to the Company's interest.

(iii) (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay, in respect of loans and advances which were not repaid / paid on due dates during the year, in the normal course of lending business.

However, as regards the closing balances as on March 31, 2025, except for 56,810 number of parties having total amount outstanding of ₹ 2,982.25 crores and overdue amount of ₹ 216.24 crores as at March 31, 2025 where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, the other parties are repaying the principal amounts, as stipulated and are also regular in payment of interest, as applicable.

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date (Contd..)

(iii) (d) In respect of loans and advances in the nature of loans, the total amount of cases which are overdue for more than ninety days as at March 31, 2025 is ₹ 457.74 crores and the number of such cases are 13,797. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii) (e) Since, the Company's principal business is to give loans and accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any loans or advances in the nature of loans as at March 31, 2025, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed

to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to sales tax, service tax, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the Company, which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the disputed dues	Amount under dispute (₹ in crores)	Amount paid* (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7.28	7.28#	F.Y. 2019-20	CIT (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	0.76	0.04	F.Y. 2017-18	Commissioner of Appeals- Delhi
Goods and Services Tax Act, 2017	Goods and Services Tax	0.19	0.01	F.Y. 2019-20	Commissioner of Appeals- Delhi
Goods and Services Tax Act, 2017	Goods and Services Tax	1.32	-	F.Y. 2020-21	Appeal Filing in process
Goods and Services Tax Act, 2017	Goods and Services Tax	9.33	-	F.Y. 2020-21 to F.Y. 2021-22	Commissioner of Appeals- Delhi

* paid under protest

adjusted against refund

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (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.

(ix) (b) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender during the year.

(ix) (c) Money raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds.

(ix) (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-



Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date (Contd..)

- term basis have been prima facie used for long-term purposes during the year by the Company.
- (ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.
- (ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any associate or joint venture.
- (x) (a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of public non-convertible debentures for the purposes for which they were raised.
- (x) (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (xi) (b) During the year and up to the date of this report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by predecessor auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d) There is no Core Investment Company as a part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year or the immediately preceding financial year.
- (xviii) One of the predecessor joint statutory auditors of the Company have rotated out during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFC (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India and there are no issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in note 37(g) to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date (Contd..)

Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

For **S.R. Battiboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**

Partner

Membership No.: 094533

UDIN: 25094533BMLXIH5690

Place: Mumbai

Date: May 6, 2025

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the “Act”), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36A to the standalone financial statements.

(xx) (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act. This matter has been disclosed in note 36A to the standalone financial statements.

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm registration number: 004207S

P Menakshi Sundaram

Partner

Membership No.: 217914

UDIN: 25217914BMKYKR6337

Place: Mumbai

Date: May 6, 2025



Annexure 2 referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

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

We have audited the internal financial controls with reference to the standalone financial statements of IIFL Home Finance Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone financial statements (“standalone 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company’s internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

Annexure 2 referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**
Partner
Membership No.: 094533
UDIN: 25094533BMLXIH5690
Place: Mumbai
Date: May 6, 2025

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm registration number: 004207S

P Menakshi Sundaram
Partner
Membership No.: 217914
UDIN: 25217914BMKYKR6337
Place: Mumbai
Date: May 6, 2025



Standalone Balance Sheet

as at March 31, 2025

(₹ in Crores)

Sr. no.	Particulars	Note no.	As at March 31, 2025	As at March 31, 2024
ASSETS				
(1)	Financial Assets			
	(a) Cash and cash equivalents	4A	874.58	771.15
	(b) Bank balance other than (a) above	4B	598.57	299.23
	(c) Receivables	6		
	(i) Trade receivables		54.58	47.94
	(d) Loans	7	25,684.46	23,140.48
	(e) Investments	8	375.48	582.13
	(f) Other financial assets	9	607.83	486.44
(2)	Non-financial Assets			
	(a) Current tax assets (net)		60.91	18.78
	(b) Deferred tax assets (net)	10	4.63	31.46
	(c) Investment property	11A	2.02	2.16
	(d) Property, plant and equipment	11B	6.28	7.42
	(e) Right of use assets	12	69.58	38.55
	(f) Other intangible assets	13A	0.65	0.56
	(g) Intangible asset under development	13B	0.10	0.34
	(h) Other non-financial assets	14	12.12	7.67
Total Assets			28,351.79	25,434.31
LIABILITIES AND EQUITY				
(1)	Financial Liabilities			
	(a) Derivative financial instruments	5	16.23	2.61
	(b) Payables	15		
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		8.11	3.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		58.27	68.70
	(c) Lease liabilities	12A	73.38	40.77
	(d) Debt securities	16	4,232.72	3,613.04
	(e) Borrowings (other than debt securities)	17	14,502.57	13,033.19
	(f) Subordinated liabilities	18	839.00	1,037.38
	(g) Other financial liabilities	19	965.52	1,054.10
(2)	Non-financial liabilities			
	(a) Current tax liabilities (net)		-	4.85
	(b) Provisions	20	32.17	30.04
	(c) Other non-financial liabilities	21	133.51	99.11
(3)	Equity			
	(a) Equity share capital	22	26.34	26.34
	(b) Other equity	23	7,463.97	6,421.06
Total Liabilities and Equity			28,351.79	25,434.31

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached.

For S. R. Battliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra

Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants

ICAI Firm registration number:
004207S

P Menakshi Sundaram

Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman

Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Ajay Jaiswal

Company Secretary
(F6327)
Place: Mumbai

Monu Ratra

Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Sumit Jhunjunwala

Chief Financial Officer
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Crores except otherwise stated)

Sr. no.	Particulars	Note no.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations				
	(i) Interest income	24	3,283.26	2,916.86
	(ii) Fees and commission income	25	285.46	187.84
	(iii) Net gain on fair value changes	26	15.38	4.47
	(iv) Net gain on derecognition of financial instruments under FVTOCI	27	118.80	-
(II)	Total Revenue from operations		3,702.90	3,109.17
(III)	Other income	28	8.66	184.42
(III)	Total Income (I+II)		3,711.56	3,293.59
Expenses				
	(i) Finance costs	29	1,510.47	1,327.78
	(ii) Net loss on derecognition of financial instruments under FVTOCI	27	-	1.03
	(iii) Impairment on financial instruments	30	274.36	116.64
	(iv) Employee benefits expenses	31	426.12	340.03
	(v) Depreciation, amortization and impairment	11A-13B	18.75	14.61
	(vi) Other expenses	32	202.02	165.29
(IV)	Total Expenses		2,431.72	1,965.38
(V)	Profit Before Tax (III-IV)		1,279.84	1,328.21
Tax Expense:				
	(i) Current tax	33	261.55	272.55
	(ii) Deferred tax	10	30.25	28.90
	(iii) Adjustment of tax relating to earlier years	33	(7.11)	(0.08)
(VI)	Total Tax Expense		284.69	301.37
(VII)	Profit for the year (V-VI)		995.15	1,026.84
Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement gain/ (loss) of defined benefit liabilities/(assets)		(1.13)	(0.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.28	0.21
	Subtotal (A)		(0.85)	(0.62)
B	(i) Items that will be reclassified to profit or loss			
	(a) Net movement on effective portion of cash flow hedge		(6.45)	(7.60)
	(b) Fair value of loans carried at fair value through other comprehensive income		(6.01)	(1.59)
	(ii) Income tax relating to items that will be reclassified to profit or loss		3.14	2.31
	Subtotal (B)		(9.32)	(6.88)
	Other Comprehensive Income (A+B)		(10.17)	(7.50)
(IX)	Total Comprehensive Income for the year (VII+VIII)		984.98	1,019.34
(X)	Earnings per equity share of face value ₹ 10 each	34		
	Basic (₹)		377.74	389.77
	Diluted (₹)		373.14	388.53

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached.

For S. R. Battliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra

Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants

ICAI Firm registration number:
004207S

P Menakshi Sundaram

Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman

Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Ajay Jaiswal

Company Secretary
(F6327)
Place: Mumbai

Monu Ratra

Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Sumit Jhunjunwala

Chief Financial Officer
Place: Mumbai



Standalone Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash Flows from Operating Activities		
Profit before tax	1,279.84	1,328.21
Adjustments for:		
Depreciation and amortization	18.75	14.61
Impairment on financial instruments - loans	61.86	(128.48)
Finance costs	1,510.47	1,327.79
Interest on loans	(3,283.26)	(2,916.86)
Net (gain)/loss on derecognition of financial instruments	(115.93)	1.03
Net (gain)/loss on fair value changes	(15.38)	(25.76)
Net (gain)/loss on sale of assets	(0.04)	0.04
Interest paid on borrowings, debt securities and subordinate debts	(1,629.67)	(1,261.03)
(Gain)/loss on termination of lease	(0.85)	(0.72)
Interest received on loans	3,204.64	2,861.38
Employee share based payment expenses	57.92	19.77
Operating Profit before Working Capital changes	1,088.35	1,219.97
Changes in Working Capital:		
(Increase)/decrease in Other financial assets	(6.07)	(35.40)
(Increase)/decrease in Trade receivables	(6.70)	(0.92)
(Increase)/decrease in Other non financial assets	(4.47)	(2.36)
(Increase)/decrease in Balances with banks - lien marked	(2.57)	0.05
(Increase)/decrease in Loans	(2,544.73)	(5,227.60)
Increase/(decrease) in Trade payables	(5.43)	20.87
Increase/(decrease) in Other financial liabilities	(88.58)	156.19
Increase/(decrease) in Other non-financial liabilities	34.40	(165.75)
Increase/(decrease) in Provisions	1.01	9.87
Operating Profit after Working Capital changes	(1,534.79)	(4,025.07)
Direct Taxes Paid (net)	(301.41)	(303.17)
Net cash generated from / (used in) Operating Activities (A)	(1,836.20)	(4,328.24)
Cash flow from Investing Activities		
Purchase of property, plant and equipment (including intangible assets)	(4.44)	(5.20)
Proceeds from sale of property, plant and equipment	0.91	0.58
Investment in Fixed deposits	(2,798.32)	(4,810.01)
Proceeds from redemption of Fixed deposits	2,508.96	4,871.08
Purchase of investments	(4,864.00)	(8,654.93)
Proceeds from sale of investments	5,082.87	9,522.32
Net Cash generated from / (used in) Investing Activities (B)	(74.02)	923.84

Standalone Statement of Cash Flows

for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from Financing Activities		
Dividend paid	-	(144.90)
Proceeds from borrowings	7,306.50	6,742.95
Repayment of borrowings	(5,824.34)	(5,286.75)
Proceeds from issue of debt securities	1,330.35	1,390.00
Repayment of debt securities	(656.40)	(141.90)
Repayment of sub-ordinated debt	(126.30)	-
Payment of interest on lease liabilities	(5.44)	(3.31)
Principal payment of lease liabilities	(10.72)	(8.79)
Net Cash generated from / (used in) Financing Activities (C)	2,013.65	2,547.30
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	103.43	(857.11)
Cash and cash equivalents as at the beginning of the year	771.15	1,628.26
Cash and cash equivalents as at the end of the year	874.58	771.15

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm registration number:
004207S

P Menakshi Sundaram
Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Sumit Jhunjhunwala
Chief Financial Officer
Place: Mumbai

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

A. Equity Share Capital*

1. As at March 31, 2025

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
26.34	-	-	-	26.34

2. As at March 31, 2024

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
26.34	-	-	-	26.34

*Refer Note 22

B. Other Equity

1. As at March 31, 2025

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	
Balance at the beginning of the current reporting year	2,969.65	143.86	766.47	2,513.54	19.77	0.13	6,421.06
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,969.65	143.86	766.47	2,513.54	19.77	0.13	6,421.06
Profit for the year	-	-	-	995.15	-	-	995.15
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) [Refer Note A]	-	-	-	-	-	(4.82)	(4.82)
Fair value of loans carried at FVTOCI (Net of Tax)	-	-	-	-	-	-	(4.49)
Remeasurement of defined benefit (Net of Tax) [Refer Note B]	-	-	-	(0.85)	-	-	(0.85)
Total Comprehensive Income for the year	-	-	-	994.30	-	(4.82)	984.99
Additions during the year [Refer Note D]	-	-	-	(200.00)	57.92	-	57.92
Transfer to Special Reserve [Refer Note C]	-	-	200.00	-	-	-	-
Balance at the end of the Current reporting year	2,969.65	143.86	966.47	3,307.84	77.69	(4.95)	7,463.97

Standalone Statement of Changes in Equity

for the year ended March 31, 2025 (Contd..)

2. As at March 31, 2024

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	
Balance at the beginning of the Previous reporting year	2,969.65	143.86	561.07	1,837.62	-	5.57	5,526.86
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,969.65	143.86	561.07	1,837.62	-	5.57	5526.86
Profit for the year	-	-	-	1,026.84	-	-	1,026.84
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) [Refer Note A]	-	-	-	-	-	(5.70)	(5.70)
Fair value of loans carried at FVTOCI (Net of Tax)	-	-	-	-	-	-	(1.19)
Remeasurement of defined benefit (Net of Tax) [Refer Note B]	-	-	-	(0.62)	-	-	(0.62)
Total Comprehensive Income for the year	-	-	-	1,026.22	-	(5.70)	1,019.33
Addition during the year [Refer Note D]	-	-	-	-	19.77	-	19.77
Equity Dividend [Refer Note E]	-	-	-	(144.90)	-	-	(144.90)
Transfer to Special Reserve [Refer Note C]	-	-	205.40	(205.40)	-	-	-
Balance at the end of the Previous reporting year	2,969.65	143.86	766.47	2,513.54	19.77	(0.13)	7.90
							6,421.06

- A. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
- B. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.
- C. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit 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.
- D. The Share Option Outstanding Account represents reserve created in respect of equity settled share options granted to the employees of the Company.
- E. During the year ended March 31, 2024, the Board of Directors of the Company had declared and paid interim dividend of ₹ 55 per equity share [For year ended March 31, 2025, Nil].

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached.

For S. R. Battiboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533
Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of IIFL Home Finance Limited

P Menakshi Sundaram
Partner
Membership No: 217914
Place: Mumbai

R. Venkataraman
Non-Executive Director
[DIN: 00011919]
Place: Mumbai

Monu Ratra
Executive Director & CEO
[DIN: 07406284]
Place: Mumbai

Ajay Jaiswal
Company Secretary
[F6327]
Place: Mumbai

Sumit Jhunjhunwala
Chief Financial Officer
Place: Mumbai



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025

Note 1. CORPORATE INFORMATION

Company overview

IIFL Home Finance Limited ("IIFL HFL"/ "the Company") (CIN No. U65993MH2006PLC166475), is a subsidiary of IIFL Finance Limited. IIFL HFL received a Certificate of Registration from the National Housing Bank ("NHB") in February, 2009 to carry on the business of a housing finance institution. IIFL HFL offers housing finance in line with RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time. The Company is classified under "Middle Layer" pursuant to Scale Based Regulations prescribed by the RBI vide its Circular Ref. No. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 read with Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale based Regulation) Directions, 2023 dated October 19, 2023, as amended from time to time. The redeemable and non-convertible debentures of the company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company's registered office is at Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagale Estate, Thane – 400604.

Note 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

(b) Basis of Preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of the Companies Act, 2013 ("the Act").

Accounting policies have been consistently applied except where a newly issued Accounting Standards is initially adopted or a revision to an existing Accounting Standards requires a change in the accounting policy hitherto in use.

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are 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". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes

forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the NHB and RBI. The Company presents its Balance Sheet in the order of liquidity.

The financial statements are presented in Indian Rupees (INR) and all values are rounded in crores upto two decimals thereof except when otherwise stated.

(d) Basis of measurements

A historical cost is a measure of value used in accounting in which the price of an asset on the Balance Sheet is based on its nominal or original cost when acquired by the company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(e) Use of estimates and judgments

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

i. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

ii. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with 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.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.
- Creation of additional management overlay to reflect among other things an increased risk of deterioration in performance of pool of specific assets.

iii. Effective interest rate computation

a. On Financial Assets:

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial

instruments are expected to be received/paid), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost which are directly attributable. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the company at each reporting date and material changes, if any are given effect to.

b. On Financial Liabilities:

Computation of effective interest rate involves significant estimates and judgements with respect to borrowings tenure, nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost which are directly attributable.

iv. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company applies appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

v. Taxes

Current Tax: The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for current taxes, including amount expected to be paid/recovered for certain tax positions.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax: Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

vi. Provisions and contingencies

Provisions and contingencies are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

vii. Defined Benefit Plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

viii. Fair value of share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black-Scholes model.

ix. Derivatives

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts and cross currency swaps. The Company makes use of derivative instruments to manage exposures to interest rate risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

x. Excess Interest Spread (EIS)

The Company, on de-recognition of financial assets under the direct assignment transactions, recognises the

right of excess interest spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Company records the discounted value of expected cash flows of the future EIS discounting at interest on the loan portfolio, upfront in the Statement of Profit and Loss.

Note 3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income and dividend income

Interest income on financial instruments measured at amortised cost/Fair value through other comprehensive income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable except for financial assets which are credit impaired. Interest income on pool of loan accounts which are assigned is recognised net off interest payable to assignees on the assigned pool of loan accounts.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument adjusted for its past behaviour pattern.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is recognised on receipt basis.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Penal Interest / charges are recognised as income on realisation.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc. are recognised on realisation.

iii. Net gain /(loss) on fair value changes

Net gain /(loss) on fair value changes includes gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Other Income

Other income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at cost of acquisition, if any, less accumulated depreciation and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised 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 is determined as the difference between the sales proceeds and the carrying amount net of accumulated depreciation of the asset and is recognised in the Statement of Profit and Loss.

Projects under which PPE assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset) is included in Statement of Profit or Loss in the period in which the Investment property is derecognised.

(e) Depreciation and Amortisation

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset.

The estimated useful life of assets is as under:

Class of assets	Useful Life as per Schedule II Companies Act	Useful life as per Company
Investment property	60 years / 30 years	20 years
Real Estate*		
Computers	3 years	3 years
Office equipment	5 years	5 years
Electrical Equipment*	10 years	5 years
Furniture and fixtures*	10 years	5 years
Vehicles*	8 years	5 years



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets i.e. Software are amortised on straight-line basis over the estimated useful life of 3 years.

(f) Impairment of Assets other than financials assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets, intangible assets under development and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets, intangible assets under development and investment property are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(g) Employee benefits

i. Share based payments

The Company operates Employee Stock Option Scheme ('the Scheme') which provides for the grant of options to acquire equity shares of the Company to its employees. The options granted to employees vest in a graded manner and these may be exercised by the employees within a specified period. These equity-settled share based payments to employees are measured at the fair value of the equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's

estimate of equity stock options that will eventually vest, with a corresponding increase in other equity (Share option outstanding account). The fair value of options is estimated using valuation techniques, which incorporate exercise price, term, risk-free interest rates, the current share price, its expected volatility etc.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share option outstanding account.

On cancellation or lapse of unvested option granted to employees, the employee stock option cost charged to Statement of Profit and Loss is credited with corresponding decrease in other equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii. Defined contribution plans

The Company's contribution towards Provident Fund, Family Pension Fund and ESIC are considered as defined contribution plans and are charged as an expense based on the amount of contribution as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

iii. Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

iv. Defined benefit plans

Post-employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The obligation recognised in respect of long term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plan above.

(h) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term on straight line method. The related cash flows are classified as operating activities.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(i) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

(j) Financial instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

Financial assets

Classification and Subsequent measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised 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.

Financial Assets measured at amortised cost

Financial assets that meet the following criteria are measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial Assets measured at fair value through other comprehensive income ("FVTOCI")

Financial Assets that meet the following criteria are measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of profit and loss for FVTOCI financial assets. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss.

Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments.

All equity investments in scope of Ind AS 109 are measured at fair value and classified as at FVTPL.

Impairment of financial assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not measured at fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or

- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The company has established a policy to perform an assessment at the end of each reporting period 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 life of the financial instruments.

Based on the above process, the company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2/ Stage 3 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Company records an allowance for the life time expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans shows significant increase in credit risk and are considered credit-impaired, the company records an allowance for the life time expected credit losses.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed as $EAD \times PD \times LGD$ which takes into account historical credit loss experience and forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is the maximum exposure as on the reporting date. It includes principal, interest and sanctioned but undisbursed amount (with certain exceptions for Stage 3 & SICR cases). Interest also includes interest accrued but not due.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognised and is still in the portfolio. PD is calculated based on historical default rate summary of past years using historical analysis.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- Loss given default ("LGD") estimates the loss which Company incurs post customer default. It is computed using historical loss, recovery experience and value of collateral. It is usually expressed as a percentage of the Exposure at default ("EAD").

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the company measures the loss allowance based on lifetime rather than 12-month ECL.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit-impaired) for ECL calculations and upgraded to Stage 1 only on the event of clearance of all overdue amounts of the customer.

Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Company assesses whether this modification results in derecognition.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under assignment arrangement; and either
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company assesses the derecognition test where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Assignment transactions

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e. retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognised and gains/losses are accounted for, only if the company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding loan is derecognised from the Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the estimated life of the asset) is recognised on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

Securitisation transactions

In case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets. The Company continues to recognise the entire loan and also recognises a collateralised borrowing for the proceeds received.

Write-off

Financial assets are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in credit to impairment on financial instruments.

Financial liabilities and equity Instruments

Financial liability and equity instruments that are issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are recognised initially at fair value net of transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial liabilities except fair value in the case of financial liabilities recorded at fair value through profit or loss.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instrument

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Hedge accounting

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in Statement of Profit and Loss.

(l) Investments in Subsidiaries

Investments in Subsidiaries are measured at cost as per Ind AS 27 – Separate Financial Statements.

(m) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are

subject to insignificant risk of changes in value. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(n) Goods and service tax input credit

Goods and service tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

(o) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

(p) Foreign currencies

In preparing the financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

(q) Segment reporting

The Executive Director (ED) of the Company has been identified as the chief operating decision maker (CODM) as defined in the Ind AS 108 "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liability is

- possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- present obligation that arises from past events but is not recognized because;
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(s) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- Estimated amount of contracts remaining to be executed on capital account and not provided for;
- Funding related commitment to associate and joint venture companies; and
- Other non-cancellable commitments, if any.

(t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(u) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses; and
- all other items for which the cash effects are investing or financing cash flows.

(v) Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in Other Equity.

Recent 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. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

Part I	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
(i) Currency derivatives:								
- Cross currency interest rate swaps	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
Subtotal (i)	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
(ii) Other derivatives								
- Forward contract	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
Subtotal (ii)	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
Total derivative (i+ii)	2,124.67	5.97	22.20	(16.23)	1,505.56	1.65	4.26	(2.61)

Part II	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
- Currency derivatives	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
- Forward contract	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
(ii) Undesignated derivatives								
- Forward contract	-	-	-	-	-	-	-	-
Total derivative financial instruments (i+ii)	2,124.67	5.97	22.20	(16.23)	1,505.56	1.65	4.26	(2.61)

Particulars	As at March 31, 2025	As at March 31, 2024
Notional amount	2,124.67	1,505.56
Carrying amount - Asset / (Liability)	(16.23)	(2.61)
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument
		(₹ in Crores)
Hedging Gain / (Loss) recognised in OCI	Year ended March 31, 2025	Year ended March 31, 2024
(Gain)/Loss On Swap Transaction	13.62	56.13
(Gain)/Loss On Mark To Market On Fluctuation Of Foreign Exchange	(7.17)	(48.52)
Tax implication on above	(1.63)	(1.91)
Total	4.82	5.70



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 6. Receivables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Trade receivables		
Receivables considered good - unsecured	54.68	47.98
Less: Impairment loss allowance	(0.10)	(0.04)
Total	54.58	47.94

No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

Trade Receivables are not interest bearing.

Trade Receivables ageing schedule

As at March 31, 2025

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	17.38	36.79	0.51	-	-	-	54.68

As at March 31, 2024

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	10.98	36.83	0.15	0.02	-	-	47.98

Less than 6 months include ₹ 16.57 crores (as at March 31, 2024 ₹ 36.60 crores) which are not due.

Note 7. Loans

(₹ in Crores)

Particulars	As at March 31, 2025			
	Amortised cost	FVTOCI	FVTPL	Total
	1	2	3	(4=1+2+3)
Loans				
(A)				
(i) Term loans	22,294.67	3,211.17	611.52	26,117.36
Total (A) - Gross	22,294.67	3,211.17	611.52	26,117.36
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total (A) - Net	21,887.58	3,185.36	611.52	25,684.46
(B)				
(i) Secured by tangible assets	22,275.20	3,211.17	611.52	26,097.89
(ii) Secured by Government Guarantee	17.34	-	-	17.34
(iii) Unsecured	2.13	-	-	2.13
Total (B) - Gross	22,294.67	3,211.17	611.52	26,117.36
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total (B) - Net	21,887.58	3,185.36	611.52	25,684.46

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2025			
	Amortised cost 1	FVTOCI 2	FVTPL 3	Total (4=1+2+3)
(C)				
(I) Loans in India	22,294.67	3,211.17	611.52	26,117.36
(i) Public sector	-	-	-	-
(ii) Other than Public sector	22,294.67	3,211.17	611.52	26,117.36
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total C (I) - Net	21,887.58	3,185.36	611.52	25,684.46
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (II)	-	-	-	-
Total C (I) and C (II)	21,887.58	3,185.36	611.52	25,684.46

(₹ in Crores)

Particulars	As at March 31, 2024			
	Amortised cost 1	FVTOCI 2	FVTPL 3	Total (4=1+2+3)
Loans				
(A)				
(i) Term loans	19,683.16	3,828.32	-	23,511.48
Total (A) - Gross	19,683.16	3,828.32	-	23,511.48
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total (A) - Net	19,329.63	3,810.85	-	23,140.48
(B)				
(i) Secured by tangible assets	19,619.74	3,828.32	-	23,448.06
(ii) Secured by Government Guarantee	57.30	-	-	57.30
(iii) Unsecured	6.12	-	-	6.12
Total (B) - Gross	19,683.16	3,828.32	-	23,511.48
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total (B) - Net	19,329.63	3,810.85	-	23,140.48
(C)				
(I) Loans in India	19,683.16	3,828.32	-	23,511.48
(i) Public sector	-	-	-	-
(ii) Others	19,683.16	3,828.32	-	23,511.48
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total C (I) - Net	19,329.63	3,810.85	-	23,140.48
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)	-	-	-	-
Total C (I) and C (II)	19,329.63	3,810.85	-	23,140.48

Note 7.1 : The above Term Loans includes ₹ 292.83 Crores. (as at March 31, 2024, ₹ 229.19 Crores) towards interest accrued and overdues, unamortised processing fee, gain/loss on modification of financial assets and gain/loss on FVTOCI.

Note 7.2 : Loans classified under FVTPL relate to amount lent under CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil) including interest accrued of ₹ 0.49 crores (as at March 31, 2024, Nil)

Note 7.3 : Secured loans held at amortised cost or classified at FVTOCI are loans given to customers are secured by equitable mortgage of property.

Note 7.4 : Unsecured represents amount where in the exposure exceeds the collateral value.



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 7.5 : The Company has not granted any loans or advances in the nature of loans, to promoters, Directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are either repayable on demand or without specifying any terms or period of repayment during the year except as disclosed in Note 41 Related party transactions.

Note 7.6: Refer note 39A.1 for credit risk.

Note 8. Investments

(₹ in Crores)				
Particulars	As at March 31, 2025			
	FVTPL	At Amortised Cost	At Cost	Total
(A)				
(i) Investments in Government Securities	209.34	-	-	209.34
(ii) Investments in Debt Securities	53.50	63.40	-	116.90
(iii) Investment in Subsidiary	-	-	20.05	20.05
(iv) Investment in equity shares	25.00	-	-	25.00
(v) Investment in Others:				
(a) Pass through certificates	-	5.09	-	5.09
Total – Gross (A)	287.84	68.49	20.05	376.38
(B)				
(i) Investments in India	287.84	68.49	20.05	376.38
Total (B)	287.84	68.49	20.05	376.38
(C)				
Less: Impairment loss allowance	-	(0.90)	-	(0.90)
Total- Net (A-C)	287.84	67.59	20.05	375.48

(₹ in Crores)				
Particulars	As at March 31, 2024			
	FVTPL	At Amortised Cost	At Cost	Total
(A)				
(i) Investments in Government Securities	50.89	-	-	50.89
(ii) Investments in Debt Securities	241.21	75.93	-	317.14
(iii) Investments in Subsidiary	-	-	0.05	0.05
(iv) Investment in Others:				
(a) Pass through certificates	-	6.20	-	6.20
(b) Commercial Papers	-	99.35	-	99.35
(c) Security receipts	109.50	-	-	109.50
Total – Gross (A)	401.60	181.48	0.05	583.13
(B)				
(i) Investments in India	401.60	181.48	0.05	583.13
Total (B)	401.60	181.48	0.05	583.13
(C)				
Less: Impairment loss allowance	-	(1.00)	-	(1.00)
Total- Net (A-C)	401.60	180.48	0.05	582.13

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 8.1 Investment Details Script Wise

Particulars	As at March 31, 2025	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 2.5Lac	100	2.52
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FVRS1LAC	5,000	50.98
Investments in Equity securities		
Measured at FVTPL:		
Equity shares of RMBS Development Company Limited	2,50,00,000	25.00
Total		78.50
Investments in Debt securities		
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV ₹ 1 Lac	4,385	37.45
Vatika Limited - 16.55 NCD FV ₹ 1 Lac	2,971	25.95
Total		63.40
Investments in Subsidiary		
Measured at Cost:		
Equity Instrument of IIHFL Sales Limited	5,50,000	20.05
Total		20.05
Investment in Other securities:		
Investment in Government Securities		
Measured at FVTPL:		
7.18% G.S. 2033	50,00,000	52.27
6.79% G.S. 2034	1,50,00,000	157.07
Pass through certificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	5.09
Total		214.43
Total		376.38

Particulars	As at March 31, 2024	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.24
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.34
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	26.55
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	6.30
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.71
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.77
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.78
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	26.14
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	26.39
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FV RS1LAC	5,000	50.99
Total		241.21
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV ₹ 1 Lac	4,240	44.98
Vatika Limited - 16.55 NCD FV ₹ 1 Lac	2,873	30.95
Total		75.93
Equity Instrument of IIHFL Sales Limited	50,000	0.05
Investment in Other securities:		
Investment in Security Receipts		
RARE ARC 06803	10,95,000	109.50



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Particulars	As at March 31, 2024	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investment in Government Securities		
7.18% G.S. 2033	50,00,000	50.89
Pass through certificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	6.20
Commercial Papers:		
Deutsche Investments India Private Limited 162D CP 30Apr24	1,000	49.66
National Bank For Agriculture And Rural Development 91D CP 30Apr24	1,000	49.69
Total		99.35

Note 9. Other financial assets

Particulars	At amortised cost	
	As at March 31, 2025	As at March 31, 2024
Security deposits		
- Unsecured, considered good	5.82	3.64
- Unsecured, which have significant increase in credit risk	0.75	0.76
Less: Impairment loss allowance (Refer Note 9.1 below)	(0.75)	(0.76)
Interest strip asset on assignment (Net of Impairment loss allowance) - unsecured, considered good	490.48	374.55
Other receivables - unsecured, considered good*	111.53	108.25
Total	607.83	486.44

* Includes amount pertaining to receivables on account of assignment transaction.

Note 9.1. Impairment loss allowance on Security Deposits

Particulars	As at	
	March 31, 2025	March 31, 2024
Opening provision	0.76	0.92
Additions	0.01	0.02
Reductions	(0.02)	(0.18)
Closing provision	0.75	0.76

Note 10. Deferred tax assets (Net)

Significant components of deferred tax assets and liabilities as at March 31, 2025 are as follows:

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	0.75	0.26	-	1.01
Expected credit losses	93.63	2.49	-	96.12
Provision for employee benefits	4.25	0.01	0.28	4.54
Lease liabilities	10.52	8.36		18.88
Adjustment pertaining to income and expenses recognition based on effective interest rate	30.96	(3.07)	-	27.89
Fair value of derivative financial instruments	2.93	-	1.62	4.55
Total deferred tax assets (A)	143.04	8.05	1.90	153.00

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Particulars	(₹ in Crores)			
	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax liabilities:				
Interest strip asset on assignment	(94.29)	(29.89)	-	(124.18)
Fair value of financial instruments - Investments	(4.94)	(0.60)	-	(5.54)
Fair value of financial instruments - Loans at FVTOCI	(2.65)	-	1.52	(1.14)
Right of use of Assets	(9.70)	(7.81)	-	(17.51)
Total deferred tax liabilities (B)	(111.58)	(38.30)	1.52	(148.37)
Deferred tax assets (A+B)	31.46	(30.25)	3.42	4.63

Significant components of deferred tax assets and liabilities as at March 31, 2024 are as follows:

Particulars	(₹ in Crores)			
	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	0.63	0.12	-	0.75
Expected credit losses	127.22	(33.59)	-	93.63
Provision for employee benefits	2.52	1.52	0.21	4.25
Lease liabilities	7.66	2.86	-	10.52
Adjustment pertaining to income and expenses recognition based on effective interest rate	26.83	4.13	-	30.96
Fair value of derivative financial instruments	(11.20)	-	14.13	2.93
Total deferred tax assets (A)	153.66	(24.96)	14.34	143.04
Deferred tax liabilities:				
Interest strip asset on assignment	(94.54)	0.25	-	(94.29)
Fair value of financial instruments - Investments	(3.45)	(1.49)	-	(4.94)
Fair value of financial instruments - Loans at FVTOCI	(3.05)	-	0.40	(2.65)
Right of use of Assets	(6.99)	(2.71)	-	(9.70)
Total deferred tax liabilities (B)	(108.03)	(3.95)	0.40	(111.58)
Deferred tax assets (A+B)	45.63	(28.91)	14.74	31.46

Note 11A. Investment Property

Particulars	Building
As at March 31, 2023	2.75
Additions	-
Deductions/Adjustments	-
As at March 31, 2024	2.75
Additions	-
Deductions/Adjustments	-
As at March 31, 2025	2.75
Accumulated Depreciation	
As at March 31, 2023	0.46
Depreciation for the year	0.13
Deductions/Adjustments	-
As at March 31, 2024	0.59
Depreciation for the year	0.14
Deductions/Adjustments	-
As at March 31, 2025	0.73
Net Block as at March 31, 2024	2.16
Net Block as at March 31, 2025	2.02



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 11A.1. Reconciliation of changes in the fair value of the Investment Property

(₹ in Crores)	
Particulars	Building
As at March 31, 2023	3.68
Additions resulting from acquisition	-
Changes in the fair value (including sale)	0.22
As at March 31, 2024	3.90
Additions resulting from acquisition	-
Changes in the fair value (including sale)	-
As at March 31, 2025	3.90

The Fair Value of the Investment Property has been arrived on the basis of valuation carried out by an independent un-registered Valuer. The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

Note 11A.2. Title deeds of Immovable Property not held in name of the Company

(₹ in Crores)						
Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate

(₹ in Crores)						
Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate

Note: Due to sensitivity of the information, borrower details, in whose name the title deeds are held are not disclosed.

Note 11B. Property, Plant and Equipment

(₹ in Crores)								
Particulars	Freehold Land*	Furniture & Fixture	Office Equipment	Electrical Equipment	Computers	Vehicles	Total	
As at March 31, 2023	0.09	1.67	1.09	1.38	12.35	0.69	17.27	
Additions	-	0.62	0.25	0.45	3.77	-	5.09	
Deductions/Adjustments	-	0.31	0.08	0.15	2.39	-	2.93	
As at March 31, 2024	0.09	1.98	1.26	1.68	13.73	0.69	19.42	
Additions	-	0.80	0.31	1.05	2.04	-	4.20	
Deductions/Adjustments	-	0.62	0.21	0.56	1.30	-	2.69	
As at March 31, 2025	0.09	2.16	1.36	2.17	14.47	0.69	20.94	

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)							
Particulars	Freehold Land*	Furniture & Fixture	Office Equipment	Electrical Equipment	Computers	Vehicles	Total
Accumulated Depreciation							
As at March 31, 2023	-	1.14	0.77	0.68	6.98	0.05	9.62
Depreciation for the year	-	0.35	0.17	0.27	3.36	0.14	4.29
Deductions/Adjustments	-	0.23	0.04	0.08	1.55	-	1.91
As at March 31, 2024	-	1.26	0.90	0.87	8.79	0.19	12.00
Depreciation for the year	-	0.43	0.17	0.40	3.25	0.14	4.39
Deductions/Adjustments	-	0.36	0.19	0.30	0.89	-	1.74
As at March 31, 2025	-	1.33	0.88	0.97	11.15	0.33	14.66
Net Block as at March 31, 2024	0.09	0.72	0.36	0.81	4.94	0.50	7.42
Net Block as at March 31, 2025	0.09	0.83	0.48	1.20	3.32	0.36	6.28

* The above Freehold Land is hypothecated with Debenture Trustee(s) for issue of secured non-convertible debentures.

- a). During the year ended March 2025 and March 2024, the Company has not revalued its Property, Plant and Equipment.
- b). Title deeds of freehold land are held in the name of the Company.

Note 12. Right of use assets

(₹ in Crores)			
Particulars	Premises	Vehicle	Total
As at March 31, 2023	24.38	3.40	27.78
Additions	21.56	1.81	23.37
Deductions/Adjustments	2.67	0.07	2.74
Depreciation	8.46	1.40	9.86
As at March 31, 2024	34.81	3.74	38.55
Additions	49.12	1.53	50.65
Deductions/Adjustments	5.72	0.16	5.88
Depreciation	12.01	1.73	13.74
As at March 31, 2025	66.20	3.38	69.58

Note 12A. Lease Liability

(₹ in Crores)			
Particulars	Premises	Vehicle	Total
As at March 31, 2023	26.17	3.55	29.72
Additions	21.56	1.81	23.37
Deductions/Adjustments	3.45	0.08	3.53
Finance cost accrued during the year	2.97	0.34	3.31
Payment of lease liabilities	10.43	1.67	12.10
As at March 31, 2024	36.82	3.95	40.77
Additions	47.94	1.30	49.24
Deductions/Adjustments	5.96	(0.00)	5.96
Finance cost accrued during the year	5.14	0.35	5.49
Payment of lease liabilities	14.14	2.02	16.16
As at March 31, 2025	69.80	3.59	73.38



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Statement showing break up value of the Current and Non - Current Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	9.76	10.56
Non- Current lease liabilities	63.62	30.21
Total	73.38	40.77

Statement showing contractual maturities of lease liabilities on an undiscounted basis

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Due for		
Up to One year	15.62	13.61
One year to Two years	14.69	9.29
Two to Five years	35.45	17.66
More than Five years	34.19	11.06
Total	99.95	51.62

Statement showing amount recognised in Statement of Profit and Loss:

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities	5.44	3.31
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.19	0.15
Total	5.63	3.46

Statement showing amount recognised in Statement of Cash Flows:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payment of interest on lease liabilities	5.44	3.31
Payment of lease liabilities	10.72	8.79
Total cash outflows for leases	16.16	12.10

Note 13A. Other Intangible Assets

(₹ in Crores)

Particulars	Computer Software
As at March 31, 2023	1.69
Additions	0.45
Deductions/Adjustments	-
As at March 31, 2024	2.14
Additions	0.60
Deductions/Adjustments	-
As at March 31, 2025	2.74
Accumulated Depreciation	
As at March 31, 2023	1.25
Depreciation For the year	0.33
Deductions/Adjustments	-
As at March 31, 2024	1.58

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	Computer Software
Depreciation For the year	0.51
Deductions/Adjustments	-
As at March 31, 2025	2.09
Net Block as at March 31, 2024	0.56
Net Block as at March 31, 2025	0.65

During the year ended March 2025 and March 2024, the Company has not revalued its Other Intangible Assets.

Note 13B. Intangible asset under development

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.34	0.11
Additions during the year	0.10	0.34
Capitalised during the year	0.34	0.11
Closing balance	0.10	0.34

Statement showing ageing schedule of Intangible asset under development

(₹ in Crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	0.10	-	-	-	0.10
Projects temporarily suspended	-	-	-	-	-

(₹ in Crores)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	0.34	-	-	-	0.34
Projects temporarily suspended	-	-	-	-	-

*No projects were delayed for completion or had exceeded its cost compared to its original plan.

Note 14. Other Non Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	0.04	0.06
Prepaid expenses	11.30	5.39
Advances to vendors	0.77	2.20
Staff advances	0.01	0.02
Total	12.12	7.67



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 15. Trade Payables

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 15A)	8.11	3.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	58.27	68.70
Total	66.38	71.82

Note 15A. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under MSMED Act, 2006.

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Principal amount remaining unpaid to any supplier at the year end	8.11	3.12
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) 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 Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) 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 Act	-	-

No interest has been paid / is payable by the Company during the year to the Suppliers registered under this Act.

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

Trade Payables ageing schedule

(₹ in Crores)						
Particulars	Outstanding for following period from the date of transaction					Total
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
As at March 31, 2025						
(i) Total outstanding dues of micro enterprises and small enterprises	8.10	0.01	-	-	-	8.11
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	51.18	7.05	0.03	-	0.01	58.27
Total	59.28	7.06	0.03	-	0.01	66.38
As at March 31, 2024						
(i) Total outstanding dues of micro enterprises and small enterprises	3.08	0.04	-	-	-	3.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	59.64	8.98	0.05	-	0.03	68.70
Total	62.72	9.02	0.05	-	0.03	71.82

Note: The Company does not have any disputed Trade Payables.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 16. Debt Securities

(₹ in Crores)		
Particulars	At Amortised Cost	
	As at March 31, 2025	As at March 31, 2024
Secured:		
Non-convertible debentures - (Refer Note (a), (b) and 16.1)	3,811.62	3,221.89
Zero Coupon Bonds -(Refer Note (a) and 16.1)	28.55	158.51
Total (A)	3,840.17	3,380.40
Unsecured:		
Commercial Paper - (Refer Note 16.1 (c))	392.55	232.64
Total (B)	392.55	232.64
Total (A+B)	4,232.72	3,613.04
Debt securities in India	4,232.72	3,613.04
Debt securities outside India	-	-

Note a: The above Non Convertible Debentures (NCDs) and Bonds are secured by way of first pari passu charge in favour of Debenture Trustee by way of hypothecation on receivables of the Company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders. The NCDs/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are G-Sec linked and the interest is payable on maturity.

Note b: Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call option and contains a repayment clause by way of reduction in face value ₹ Nil {As at March 31, 2024 ₹ 15.00 Crores (callable from March 20, 2024)}, NCDs carrying call and put option of ₹ 280.00 Crores (callable / puttable from April 02, 2025) {As at March 31, 2024 ₹ 280.00 Crores (callable / puttable from April 02, 2025)} and NCDs carrying call and put option of ₹ 320 Crores (callable / puttable from May 23, 2025) {As at March 31, 2024 ₹ 320 Crores (callable / puttable from May 23, 2025)}.

Note 16.1 - Terms of repayment

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest	Amount	Rate of Interest
Secured NCD (A)				
(a) Fixed:				
More than 5 years	177.65	5.00% - 9.25%	933.69	5.00% - 9.18%
3- 5 Years	1,286.78	5.00% - 9.25%	956.36	5.00% - 8.75%
1-3 Years	1,658.78	5.00% - 9.18%	940.03	5.00% - 10.05%
Less than 1 year	688.41	5.00% - 8.70%	391.81	5.00% - 8.59%
Total Secured NCD (A)	3,811.62		3,221.89	

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Yield	Amount	Yield
Secured Zero Coupon (B)				
More than 5 years	-	-	-	-
3- 5 Years	9.86	8.75% - 9.25%	6.65	8.75%
1-3 Years	18.69	8.50% - 9.18%	5.13	8.50%
Less than 1 year	-	-	146.73	8.25% - 10.30%
Total Secured Zero Coupon (B)	28.55		158.51	



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Discount Rate	Amount	Discount Rate
Unsecured (C)				
Commercial Paper				
Less than 1 year	392.55	8.50% - 8.75%	232.64	9.05%
Total Unsecured (C)	392.55		232.64	

Note 16.2(a) - Security wise details of Secured NCD

(₹ in Crores)			
Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
8.70% Secured rated Listed Redeemable Non convertible Debentures Letter of Allotment SERIES G1 Date of maturity 20/10/2025.	8.70%	250.00	-
8.57% Secured Rated Listed Redeemable Non Convertible Debenture. Series J1 Date of maturity 28/04/2026	8.57%	50.00	-
8.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series I Tranche II. Date of maturity - 03/01/2025	8.25%	-	225.72
8.85% Secured Rated Listed Redeemable Non Convertible Debentures. Series I Tranche I Date of maturity 26/12/2026.	8.85%	274.50	-
10.05% Secured Rated Listed Redeemable Non Convertible Debenture. Series C13. Date of maturity - 20/03/2026	10.05%	-	15.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D8. Date of maturity - 31/03/2026	8.50%	280.00	280.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D9. Date of maturity - 22/05/2026	8.50%	320.00	320.00
8.20% Secured Rated Listed Redeemable Non Convertible Debentures. Series D7. Date of maturity - 28/09/2026	8.20%	112.00	112.00
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II. Date of maturity - 03/01/2027	8.20%	52.65	52.65
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II. Date of maturity - 03/01/2027	8.50%	13.60	13.60
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2027	8.36%	273.33	273.33
8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series III Tranche I Date of maturity 26/12/2027	8.65%	9.72	-
8.62% Secured Rated Listed Redeemable Non Convertible Debentures. Series D4. Date of maturity - 12/03/2028	8.62%	19.00	19.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity - 15/08/2028	8.36%	273.33	273.33
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II. Date of maturity - 03/01/2029	8.43%	53.74	53.74
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II. Date of maturity - 03/01/2029	8.75%	22.18	22.18
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D5. Date of maturity - 16/04/2029	8.70%	36.00	36.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2029	8.36%	273.33	273.33
9.18% Secured Rated Listed Redeemable Non Convertible Debentures. Series C15. Date of maturity - 03/10/2029	9.18%	300.00	300.00
8.59% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD I. Date of maturity - 25/02/2030	8.59%	309.50	371.40
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D6. Date of maturity - 14/05/2030	8.70%	109.00	109.00

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)			
Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
8.69% Secured Rated Listed Redeemable Non Convertible Debentures. Series. Series D2. Date of maturity - 12/11/2030	8.69%	300.00	300.00
5.00% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD II. Date of maturity - 28/02/2031	5.00%	68.95	74.70
9.25% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series IX Tranche I Date of maturity 26/12/2031	9.25%	4.63	-
8.9% Secured Rated Listed Redeemable Non Convertible Debentures. Series VI Tranche I Date of maturity 26/12/2029	8.90%	15.22	-
9% Secured Rated Listed Redeemable Non Convertible Debenture Series IV Tranche I Date of maturity 26/12/2027	9.00%	44.19	-
9.18% Secured Rated Listed Redeemable Non Convertible Debenture Series K1 Date of maturity 06/02/2028	9.18%	250.00	-
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series. D3. Date of maturity - 11/02/2028	8.60%	18.00	18.00
9.25% Secured Rated Listed Redeemable Non Convertible Debentures. Series VII Tranche I Date of maturity 26/12/2029	9.25%	16.20	-
Total		3,749.07	3,142.98

Note: Statement showing contractual principal outstanding of Secured Non Convertible Debentures.

Note 16.2(b) - Security wise details of Secured Zero Coupon Bond

(₹ in Crores)			
Particulars	Yield	As at March 31, 2025	As at March 31, 2024
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche I Date of maturity 26/12/2027	9.00%	5.64	-
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche I Date of maturity 26/12/2029	9.25%	3.07	-
G- Sec Linked Secured Rated Listed Principal Protected Redeemable Non Convertible Debentures. Series C 12. Date of maturity - 25/04/2024	9.12%	-	51.30
G- Sec Linked Secured Rated Unlisted Principal Protected Redeemable Non Convertible Debentures. Series C 14. Date of maturity - 27/06/2024	10.30%	-	20.00
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche II. Date of maturity - 03/01/2025	8.25%	-	26.73
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II. Date of maturity - 03/01/2027	8.50%	4.25	4.25
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II. Date of maturity - 03/01/2029	8.75%	5.53	5.53
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche I. Date Of Maturity 26/12/2026	8.85%	7.18	-
Total		25.67	107.81

Note: Statement showing contractual principal outstanding of Secured Zero Coupon Bond

Note 16.2(c) - Instrument wise details of Commercial Paper

(₹ in Crores)			
Particulars	Discount Rate	As at March 31, 2025	As at March 31, 2024
8.75% Unsecured Commercial Paper 364 Days Date of Maturity July 02, 2025	8.75%	150.00	-
8.60% Unsecured Commercial Paper 242 Days Date of Maturity May 30, 2025	8.75%	150.00	-
8.50% Unsecured Commercial Paper 272 Days Date of Maturity July 21, 2025	8.50%	100.00	-
9.05% Unsecured Commercial Paper 361 Days Date of Maturity January 31, 2025	9.05%	-	250.00
Total		400.00	250.00



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 17. Borrowings (other than debt securities)

(₹ in Crores)			
Particulars	At Amortised Cost		
	As at March 31, 2025	As at March 31, 2024	
Secured:			
(a) Term loans			
(i) from Banks (Refer Note (a), (b) and 17.1)	6,948.91	6,655.25	
(ii) from National Housing Bank (NHB) (Refer Note (a), (b), (c) and 17.2)	5,477.88	4,791.48	
(iii) from Financial Institution (Refer Note (b) and 17.3)	1,392.86	1,321.07	
(b) Securitisation Liability (Refer Note 17.4)	482.92	145.28	
(c) Cash credit / Overdraft from Banks (Refer Note (a), (b) and 17.4)	200.00	120.11	
Total	14,502.57	13,033.19	
Borrowings in India*	14,123.89	12,615.20	
Borrowings outside India	378.68	417.99	
Total	14,502.57	13,033.19	

- a. Out of the total borrowing from Banks, borrowings amounting to ₹ 20.00 Crores (As at March 31, 2024 ₹ 20.00 Crores) and Refinance Facility from NHB amounting to ₹ 240.33 Crores (As at March 31, 2024 ₹ 390.32 Crores) are guaranteed by Holding Company i.e. IIFL Finance Limited.
- b. The term loans from banks, Financial Institution and NHB and cash credits from banks are secured by way of first pari passu charge by way of hypothecation on receivables of the Company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in Favor of certain existing charge holders. Further, borrowings from Financial Institution amounting to ₹ 378.68 Crores {before interest accrued but not due, exchange fluctuation and EIR adjustments} (As at March 31, 2024 ₹ 413.10) are secured by way of first priority exclusive charge on the identified receivables of the Company.
- c. Borrowings from NHB includes ₹ 5,248.17 Crores (As at March 31, 2024 ₹ 4,401.16 Crores) secured by way of first exclusive charge on unencumbered individual housing loan portfolio in Favor of NHB.

* This includes FCNB borrowings amounting to ₹ 1,747.41 Crores (As at March 31, 2024 ₹ 1,106.17 Crores.).

Note 17.1 - Terms of repayment of Term Loans from Banks

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	1,253.21	8.38% - 9.55%	906.87	8.49% - 9.30%
3- 5 Years	1,805.75	8.38% - 9.55%	1,695.43	8.49% - 9.55%
1-3 Years	2,424.22	8.14% - 9.55%	2,520.42	8.39% - 9.55%
Less than 1 year	1,465.73	8.14% - 9.55%	1,532.53	8.39% - 9.55%
Total	6,948.91		6,655.25	

Note 17.2 - Terms of repayment of term loans from NHB

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Fixed:				
More than 5 years	354.00	5.26% - 8.19%	1,147.60	2.80% - 8.50%
3- 5 Years	505.79	2.80% - 9.00%	1,073.23	2.80% - 8.50%
1-3 Years	691.14	2.80% - 9.00%	1,261.96	2.80% - 9.00%
Less than 1 year	279.52	2.80% - 9.00%	654.92	2.80% - 9.00%
Total	1,830.45		4,137.71	

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	1,384.11	8.25% - 8.50%	288.10	8.10% - 8.35%
3- 5 Years	888.56	8.25% - 8.60%	153.96	8.10% - 8.35%
1-3 Years	985.02	8.25% - 8.60%	153.97	8.10% - 8.35%
Less than 1 year	389.74	7.07% - 8.60%	57.74	8.10% - 8.35%
Total	3,647.43		653.77	
Total	5,477.88		4,791.48	

Note 17.3 - Terms of repayment of term loans from Financial Institution

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	149.18	5.84% - 5.84%	311.12	9.10%
3- 5 Years	91.80	5.84% - 5.84%	235.41	9.10%
1-3 Years	91.80	5.84% - 5.84%	254.19	9.10%
Less than 1 year	45.90	5.84% - 5.84%	102.36	9.10%
Sub-Total - Floating (A)	378.68		903.08	
Fixed:				
More than 5 years	263.93	9.10% - 9.25%	198.84	5.84%
3- 5 Years	245.24	9.10% - 9.25%	91.80	5.84%
1-3 Years	348.12	9.10% - 9.25%	91.80	5.84%
Less than 1 year	156.89	9.10% - 9.25%	35.55	5.84%
Sub-Total - Fixed (B)	1,014.18		417.99	
Total (A+B)	1,392.86		1,321.07	

Note 17. 4 - Terms of repayment of other loans

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
Cash credit / Overdraft from Banks (A)				
Less than 1 year	200.00	8.20% - 9.60%	120.11	8.80%
Securitisation Liability (B)				
More than 5 years	190.88	8.20% - 9.60%	112.80	8.10% - 9.35%
3- 5 Years	84.66	8.20% - 9.60%	13.22	8.10% - 9.35%
1-3 Years	126.84	8.20% - 9.60%	12.71	8.10% - 9.35%
Less than 1 year	80.54	8.20% - 9.60%	6.55	8.10% - 9.35%
Sub-Total - Securitisation Liability	482.92		145.28	
Total (A+B)	682.92		265.39	



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 18. Subordinated liabilities

(₹ in Crores)		
Particulars	At Amortised Cost	
	As at March 31, 2025	As at March 31, 2024
Non-convertible debentures - Unsecured	839.00	829.22
Zero Coupon Bonds - Unsecured	-	208.16
Total	839.00	1,037.38
Subordinated Liabilities in India	839.00	1,037.38
Subordinated Liabilities outside India	-	-
Total	839.00	1,037.38

Non Convertible Debentures – Unsecured includes redeemable non convertible debentures carrying call option of ₹ 10.00 Crores (callable from February 28, 2026), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025) {As at March 31, 2024 ₹ 10.00 Crores (callable from February 28, 2024), ₹ 126.52 Crores (callable from May 14, 2024), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025)}.

Note 18.1 - Terms of repayment of Subordinated Liabilities

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest	Amount	Rate of Interest
Non-convertible debentures - Unsecured				
More than 5 years	-	-	-	-
3- 5 Years	711.67	9.60% - 10.02%	803.69	8.85% - 10.02%
1-3 Years	85.00	8.85% - 9.05%	-	-
Less than 1 year	42.33	8.85% - 10.02%	25.53	8.85% - 10.02%
Total Non-convertible debentures - Unsecured	839.00		829.22	

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Yield	Amount	Yield
Zero Coupon Bonds - Unsecured				
More than 5 years	-	-	-	-
3- 5 Years	-	-	208.16	9.40%
Total Zero Coupon Bonds - Unsecured	-		208.16	

These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under RBI Directions for Housing Finance Companies for assessing capital adequacy. Based on the balance term to maturity As at March 31, 2024, 58% (As at March 31, 2024 78%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

Note 18.2(a) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)			
Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
8.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series U06. Date of maturity - 27/07/2027	8.85%	75.00	75.00
9.05% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U08. Date of maturity - 28/02/2028	9.05%	10.00	10.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U09. Date of maturity - 16/06/2028	9.85%	40.00	40.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U010. Date of maturity - 13/07/2028	9.85%	30.00	30.00

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)			
Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
10.00% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series I. Date of maturity - 03/11/2028	10.00%	232.72	232.72
9.60% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series II. Date of maturity - 03/11/2028	9.60%	382.82	382.82
10.02% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series III. Date of maturity - 03/11/2028	10.02%	40.28	40.28
Total		810.82	810.82

Note: Statement showing contractual principal outstanding of Subordinated Non Convertible Debentures.

Note 18.2(b) - Security wise details of Unsecured Zero Coupon Bond

(₹ in Crores)			
Particulars	Yield	As at March 31, 2025	As at March 31, 2024
Zero Coupon G-Sec Linked Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series Ua3. Date of maturity - 11/08/2028	9.40%	-	126.30
Total		-	126.30

Note: Statement showing contractual principal outstanding of unsecured zero coupon bond.

Note 19. Other Financial Liabilities

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Book overdraft*	823.89	952.02
Unclaimed interest and redemption proceeds of NCDs**	4.54	4.61
Other Payables#	135.70	95.56
Accrued Salaries & Benefits	1.39	1.91
Total	965.52	1,054.10

* Book overdraft represents cheque issued towards disbursement to borrowers but not presented to banks.

** As required under Section 125 of the Companies Act, 2013, the Company, during the year, has transferred ₹ 0.09 Crores. (as at March 31, 2024 ₹ 0.08 Crores.) to the Investor Education and Protection Fund (IEPF). As of March 31, 2025, ₹ 0.01 Crores. (as at March 31, 2024 ₹ 0.00 Crores) is due for transfer to the IEPF which will be transferred within the stipulated timelines.

Primarily includes liability towards assignment payable of ₹ 123.04 Crores. (as at March 31, 2024 ₹ 90.11 Crores).

Note 20. Provisions

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for Employee Benefits		
- Provision for Leave Encashment	12.07	10.49
- Provision for Gratuity (Refer 31.2)	8.10	3.80
- Provision for Bonus	12.00	15.75
Total	32.17	30.04



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 21. Other Non Financial Liabilities

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory remittances	14.64	15.26
Unspent CSR (Refer note no 36A)	17.21	6.90
Advances from borrowers	101.66	76.95
Total	133.51	99.11

Note 22. Equity Share Capital

(a) Authorised, Issued, Subscribed and fully paid up share capital

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
15,20,00,000 Equity Shares of ₹10/- each with voting rights (as at March 31, 2024 - 15,20,00,000)	152.00	152.00
2,00,00,000 Preference Shares of ₹10/- each (as at March 31, 2024 - 2,00,00,000)	20.00	20.00
Total	172.00	172.00
Issued, Subscribed and Paid Up		
Equity Share Capital		
2,63,44,638 Equity Shares of ₹10/- each fully paid-up (as at March 31, 2024 - 2,63,44,638)	26.34	26.34
Total	26.34	26.34

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

(₹ in Crores)				
Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,63,44,638	26.34	2,63,44,638	26.34
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	2,63,44,638	26.34	2,63,44,638	26.34

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(d) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of 10 each fully paid				
IIFL Finance Limited (holding company) and its nominees	2,09,68,181	79.59%	2,09,68,181	79.59%
Platinum Owl C 2018 RSC Limited	53,76,457	20.41%	53,76,457	20.41%

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(e) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares held by Promoters

Particulars	Promoter Name	No of Shares*	% of total shares	% Change during the year
As at March 31, 2025	IIFL Finance Limited	2,09,68,181	79.59%	-
As at March 31, 2024	IIFL Finance Limited	2,09,68,181	79.59%	-

* Shares held by IIFL Finance Limited and its nominees. The shareholding of Nominee is 500 shares (As at March 31, 2024 500 shares).

(g) **Shares reserved for issue under options** - Refer note 31.3 for details of shares reserved for issue under employee stock option plan of the Company.

Note 23: Other Equity

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium Reserve		
Opening Balance	2,969.65	2,969.65
Add: Additions during the year	-	-
less: Share issue expenses	-	-
Closing Balance	2,969.65	2,969.65
General Reserve		
Opening Balance	143.86	143.86
Add: Additions during the year	-	-
Closing Balance	143.86	143.86
Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening Balance	766.47	561.07
Add: Transfer from retained earnings	200.00	205.40
Closing Balance	966.47	766.47
Retained Earnings - remeasurement of defined benefit		
Opening Balance	(1.48)	(0.86)
Other comprehensive income for the year	(0.85)	(0.62)
Closing Balance	(2.33)	(1.48)
Retained Earnings - other than remeasurement of defined benefit		
Opening Balance	2,515.02	1,838.48
Add: Profit for the year	995.15	1,026.84
Less: Equity dividend	-	(144.90)
Less: Transfer to special reserve	(200.00)	(205.40)
Closing Balance	3,310.17	2,515.02
Share Option Outstanding Account		
Opening Balance	19.77	-
Add: Addition during the year	57.92	19.77
Closing Balance	77.69	19.77
Effective portion of Cash Flow Hedges		
Opening Balance	(0.13)	5.57
Add: Other comprehensive income / (loss)	(4.82)	(5.70)
Closing Balance	(4.95)	(0.13)
Fair value of loans carried at FVTOCI		
Opening Balance	7.90	9.09
Add: Other comprehensive income/ (loss)	(4.49)	(1.19)
Closing Balance	3.41	7.90
Total	7,463.97	6,421.05



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 23.1 Nature and purpose of reserve

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987

As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit 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.

Retained Earnings - remeasurement of defined benefit

The Company recognises change on account of remeasurement of the net defined benefit liability / asset as part of retained earnings.

Retained Earnings - other than remeasurement of defined benefit

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Share Option Outstanding Account

The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Company.

Effective portion of Cash Flow Hedges

The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

Fair value of loans carried at FVTOCI

The amount represents cumulative gains/(losses) arising on account of fair valuation of pools of loans that are accounted / measured subsequently at fair value through other comprehensive income basis the business model.

Note 24. Interest Income

(₹ in Crores)

Particulars	For the year ended March 31, 2025			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	383.15	2,811.13	18.42	3,212.70
Interest income from investments	-	6.61	24.39	31.00
Interest on inter corporate deposits	-	6.83	-	6.83
Interest on deposits with Banks*	-	32.73	-	32.73
Total	383.15	2,857.30	42.81	3,283.26

*Includes interest income on security deposits and surplus received out of unspent CSR account.

(₹ in Crores)

Particulars	For the year ended March 31, 2024			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	341.87	2,413.82	23.67	2,779.36
Interest income from investments	-	34.58	19.95	54.53
Interest on inter corporate deposits	-	42.18	-	42.18
Interest on deposits with Banks*	-	40.79	-	40.79
Total	341.87	2,531.37	43.62	2,916.86

*Includes interest income on security deposits.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 25. Fees and Commission Income

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fees & Other Charges*	114.17	93.73
Insurance and distribution commission	171.29	94.11
Total	285.46	187.84

* Includes fee and charges in the nature of service fee, foreclosure, Incentive fee income etc.

Note 26. Net Gain on Fair Value Changes

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Gain /(loss) on financial instruments at FVTPL		
On trading portfolio		
- Investments	15.38	25.76
- Others	-	[21.29]
Total Net gain on fair value changes	15.38	4.47
Fair Value changes:		
- Realised	13.38	[1.83]
- Unrealised	2.00	6.30
Total Net gain on fair value changes	15.38	4.47

Note 27: Net gain/(loss) on derecognition of financial instruments under FVTOCI

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assignment of loans (Net of reversal on old assignment deals)	118.80	[1.03]
Total	118.80	[1.03]

Note 28. Other Income

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Marketing, advertisement and support service fees	8.66	184.42
Total	8.66	184.42

Note 29. Finance Costs

(₹ in Crores)

Particulars	On Financial liabilities measured at Amortised Cost	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings (other than debt securities)	1,071.25	940.12
Interest on debt securities	320.14	258.92
Interest on subordinated liabilities	84.40	97.97
Other interest expense		
Interest on lease liabilities	5.44	3.31
Other borrowing cost	29.24	27.46
Total	1,510.47	1,327.78



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Statement showing exchange fluctuation on account of foreign currency borrowings:

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revaluation Gain/(Loss) on Foreign currency loan	(7.17)	(48.52)
Recognised in Other Comprehensive Income	7.17	48.52
Recognised in Statement of Profit and Loss	-	-

Note 30. Impairment on Financial Instruments

(₹ in Crores)

Particulars	For the year ended March 31, 2025		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	8.34	53.56	61.90
Receivables	-	0.06	0.06
Investments	-	(0.10)	(0.10)
Bad debts written off (Net of recovery)	-	209.62	209.62
Interest strip asset on assignment	-	2.88	2.88
Total	8.34	266.02	274.36

(₹ in Crores)

Particulars	For the year ended March 31, 2024		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(7.84)	(115.21)	(123.05)
Receivables	-	(6.43)	(6.43)
Investments	-	1.00	1.00
Bad debts written off (Net of recovery)	-	245.12	245.12
Total	(7.84)	124.48	116.64

Note 31. Employee Benefits Expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages	326.87	293.12
Contribution to provident and other funds (Refer Note 31.1)	13.31	11.98
Leave Encashment	4.46	4.72
Gratuity (Refer Note 31.2)	3.22	2.23
Staff welfare expenses [#]	20.34	8.21
Share Based Payments to employees (Refer Note 31.3)	57.92	19.77
Total	426.12	340.03

[#]The Group company i.e. IIFL Finance Limited have granted stock options to its employees as well as employees of the Company. Pursuant to the scheme, the Company has reimbursed the group companies ₹ 0.04 Crores. (for year ended March 31, 2024 ₹ 1.33 Crores), on account of such costs and the same is forming part of Employee benefit expenses.

Note: The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the code becomes effective and related rules are published.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

31.1 Defined Contribution Plans:

The Company makes provident fund contributions to recognised provident fund for employees. The company has recognised charges of ₹ 13.31 Crores (year ended March 31, 2024: ₹ 11.98 Crores) for Provident Fund contribution, Employee State Insurance Scheme (ESIC), Labour Welfare fund, Employee Pension Scheme (EPS) and National Pension Scheme (NPS) in the Statement of Profit and Loss.

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident fund	6.71	5.96
Contribution to ESIC	0.48	0.55
Contribution to Labour Welfare Fund	0.08	0.06
Company contribution to EPS	5.52	5.02
Company contribution to NPS	0.52	0.39
Total	13.31	11.98

The net amount of compensated absences of the Company's obligation is actuarially determined based on the projected unit credit method as at balance sheet date by actuarial valuation. Amount recognised in the statement of profit and loss for the year ended March 31, 2025 is as under :

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Compensated absences	4.46	4.72

31.2 Disclosures pursuant to Ind AS 19 on "Employee Benefits":

Assumptions (Current Year)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expected Return on Plan Assets	6.92%	7.20%
Rate of Discounting	6.92%	7.20%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement Age for employees (in years)	60	60



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Table Showing Change in the Present Value of Projected Benefit Obligations

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the Year	14.09	11.31
Interest Cost	1.01	0.84
Current Service Cost	2.95	2.18
Liability Transferred In/ Acquisitions	0.08	0.04
Liability Transferred Out/ Divestment	(0.12)	(0.00)
Benefit Paid From the Fund	(1.83)	(1.33)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.77	0.57
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.59	0.48
Present Value of Benefit Obligation at the End of the Year	17.54	14.09

Table Showing Change in the Fair Value of Plan Assets

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets at the Beginning of the Year	10.29	10.61
Interest Income	0.74	0.79
Benefit Paid from the Fund	(1.83)	(1.33)
Return on Plan Assets, Excluding Interest Income	0.24	0.22
Fair Value of Plan Assets at the End of the Year	9.44	10.29

Amount Recognised in the Balance Sheet

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Benefit Obligation at the end of the Year	(17.54)	(14.09)
Fair Value of Plan Assets at the end of the Year	9.44	10.29
Funded Status Surplus/ [Deficit]	(8.10)	(3.80)
Net (Liability)/Asset Recognised in the Balance Sheet	(8.10)	(3.80)

Net Interest Cost

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the Year	14.09	11.31
Fair Value of Plan Assets at the Beginning of the Year	(10.29)	(10.61)
Net Liability/(Asset) at the Beginning of the Year	3.80	0.70
Interest Cost	1.01	0.84
Interest Income	(0.74)	(0.79)
Net Interest Cost	0.27	0.05

Expenses Recognised in the Statement of Profit and Loss

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	2.95	2.18
Net Interest Cost	0.27	0.05
Expenses Recognised	3.22	2.23

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Expenses Recognised in the Other Comprehensive Income (OCI)

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (Gains)/Losses on Obligation for the year	1.37	1.05
Return on Plan Assets, Excluding Interest Income	(0.24)	(0.22)
Net (Income)/Expense For the Year Recognised in OCI	1.13	0.83

Balance Sheet Reconciliation

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening Net Liability	3.80	0.70
Expenses Recognised in Statement of Profit and Loss	3.22	2.23
Expenses Recognised in OCI	1.13	0.83
Net Liability/(Asset) Transfer In	0.07	0.04
Net (Liability)/Asset Transfer Out*	(0.12)	(0.00)
Net Liability/(Asset) Recognised in the Balance Sheet	8.10	3.80

*0.00 denotes amount less than ₹ Fifty thousands

Category of Assets

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Insurance policy	9.44	10.29
Total	9.44	10.29

Other Details

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Prescribed Contribution For Next Year (12 Months)	10.58	6.75
Weighted Average Duration of Defined Benefit Obligation	18	24

Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.59	0.68
2nd Following Year	0.21	0.15
3rd Following Year	0.20	0.19
4th Following Year	0.23	0.19
5th Following Year	0.26	0.21
Sum of Years 6 To 10	2.79	1.91
Sum of Years 11 and above	59.09	50.02



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Sensitivity Analysis

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Projected Benefit Obligation on Current Assumptions	17.54	14.09
Delta Effect of +1% Change in Rate of Discounting	(2.67)	(2.10)
Delta Effect of -1% Change in Rate of Discounting	2.97	2.37
Delta Effect of +1% Change in Rate of Salary Increase	2.39	1.85
Delta Effect of -1% Change in Rate of Salary Increase	(2.12)	(1.61)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.33)	(0.17)
Delta Effect of -1% Change in Rate of Employee Turnover	0.38	0.19

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Note 31.3. Employee Stock Option

The Company has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio. All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.[vesting ratio of 25:25:25:25].

ESOPs granted on April 01, 2024 are performance based grants which will vest to eligible employees as per performance rating in the company over the vesting period in a graded manner. The performance rating of employees will be measured every year and ESOPs will vest to employees who achieve the predefined performance rating for that year. Employees not qualifying for the performance based vesting in a particular year will be given an option to carry forward their unvested performance based ESOPs to the next financial year, in case the employee achieves the predefined performance rating in the next financial year, the unvested ESOPs of immediately preceding financial year shall stand vested.

As per ESOP Plan, the Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024
Grant Date	January 24, 2025	April 01, 2024	October 01, 2023
Option Price Model	Black Scholes	Black Scholes	Black Scholes
	Method	Method	Method
Exercise Price (in ₹)	1,338.00	1,338.00	1,338.00
Share Price on Grant Date (in ₹)	4,504.02	4,007.49	4,513.38
Expected Volatility	50%	50%	50%
Expected life of options (Years)	4	4	4
Risk-free rate of return	6.75%	7.18%	7.37%
Dividend Yield	0.74%	0.98%	0.86%
Fair Value of ESOP at Grant Date (in ₹)	3,414.08	2,923.78	3,423.18
Weighted Average remaining contractual life of the option (Years)	3.82	3.00	3.50
Weighted Average Fair Value of ESOP at Grant Date (in ₹)	2,938.82	2,923.78	3,423.18

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Fair Value Methodology:

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year.

Table Showing options movement during year:

(in numbers)			
Particulars	For the year ended March 31, 2025 (Time Based)	For the year ended March 31, 2025 (Performance Based)	For the year ended March 31, 2024 (Time Based)
Outstanding at the beginning of the year	2,38,628	-	-
Granted during the year	7,550	2,38,627	2,42,563
Forfeited during the year	22,145	18,294	3,935
Outstanding at the end of the year	2,24,033	2,20,333	2,38,628
Exercisable at the end of the year	57,973	-	-

Weighted-average exercise prices of options granted during the year is ₹ 1338 /- option

Weighted average share price at the date of exercise date : N.A. as no ESOP exercise in year.

Table showing reconciliation of Share Options Outstanding Account:

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening ESOP Outstanding Reserve Balance	19.77	-
Expense Recognised/ (Reversed) during the year	57.92	19.77
Closing ESOP Outstanding Reserve Balance	77.69	19.77

Note: The Company has granted options in equal parts in two tranches (i) 50% on October 01, 2023 (time based); and (ii) 50% on April 01, 2024 (performance based) and will vest as specified in the Grant letter. Further, on January 24, 2025, additional 7,550 options have been granted under the existing scheme.

Note: The company has granted 1,56,483 number of options to key managerial personnel during the year (March 31, 2024 : 1,55,129) out of which 13,441 options have been lapsed (March 31, 2024 : NIL) on account of resignation of the grantee.

Note 32. Other Expenses

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Advertisement	11.80	12.71
Valuation & verification expenses	3.91	3.61
Marketing expenses	7.30	21.42
Bank charges	2.99	2.59
Communication	1.30	1.41
Electricity	3.30	2.46
Rating and custodian fees	2.80	2.20
Legal & professional fees	54.02	38.14
Commission & sitting fees	2.37	0.78
Miscellaneous expenses	1.42	0.66
Office expenses	13.06	10.79
Postage & courier	2.00	1.77
Printing & stationary	0.83	1.29
Rates & taxes	0.00	0.03
Rent	11.64	10.81
Repairs & maintenance	1.60	1.04



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payments to auditors*	2.33	1.83
Software charges	34.58	19.14
Security expenses	4.99	2.25
Travelling & conveyance	18.97	12.92
Corporate Social Responsibility (CSR) Expenses (Refer note 36A)	20.81	17.40
Loss on sale of assets	-	0.04
Total	202.02	165.29

*Payments to auditors

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) As auditors - Audit Fees	0.70	0.65
Limited Reviews	0.98	0.71
b) For other services - Certification	2.64	0.25
c) For reimbursement of expenses	0.26	0.22
Total	4.58	1.83
Less: Amount paid towards certification required for public issue of Non Convertible Debentures which has been amortised using effective interest rate method over the tenure of the debenture	2.25	-
Total as per Statement of Profit and Loss	2.33	1.83

Note 33. Income taxes

33.1 Amounts recognised in the Statement of Profit and Loss

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
Current year	261.55	272.55
Adjustment of tax relating to earlier periods	(7.11)	(0.08)
Deferred tax expense		
Origination and reversal of temporary differences	30.25	28.90
Total	284.69	301.37

33.2 Amounts recognised in other comprehensive income

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Items that will not be reclassified to Statement of Profit and Loss		
Remeasurement gain/ (loss) of defined benefit liabilities/(assets)	0.28	0.21
Items that will be reclassified to the Statement of Profit and Loss		
Net movement on effective portion of cash flow hedge	1.62	1.91
Fair value of loans carried at fair value through other comprehensive income	1.51	0.40
Total	3.41	2.52

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

33.3 Reconciliation of total tax expense

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	1,279.84	1,328.21
Tax using the domestic tax rate (25.168%)	322.11	334.28
Tax effect of:		
Non-deductible expenses	6.27	5.11
Tax-exempt income (includes deduction u/s 80JJAA)	(37.01)	(38.78)
Income taxed at different rates	-	(1.02)
Adjustments for current tax for prior periods	(7.11)	(0.08)
De-Recognition of previously recognised deductible temporary differences	0.43	1.86
Total income tax expense	284.69	301.37

Note 34. Earnings Per Share:

Basic and Diluted Earnings per share ["EPS"] computed in accordance with Ind AS 33 "Earnings per share"

(₹ in Crores except per share data)			
Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Nominal value of equity shares in ₹ fully paid up		10	10
BASIC			
Profit after tax as per Statement of Profit and Loss	A	995.15	1,026.84
Weighted Average Number of Equity Shares Outstanding	B	2,63,44,638	2,63,44,638
Basic EPS (In ₹)	A/B	377.74	389.77
DILUTED			
Weighted Average Number of Equity shares for computation of diluted EPS		2,63,44,638	2,63,44,638
Add: Potential equity shares on account conversion of Employees Stock Options		3,24,972	83,933
Weighted average number of equity shares for computation of diluted EPS	C	2,66,69,610	2,64,28,571
Diluted EPS (In ₹)	A/C	373.14	388.53

The basic earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares for the respective periods; whereas the diluted earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options.

Note 35. Capital / Other Commitments and Contingent Liabilities at the Balance Sheet date

A. Commitments:

- As at the balance sheet date there were undrawn credit commitments of ₹ 2,724.41 Crores. (As at March 31, 2024 ₹ 3,262.11 Crores.);
- Estimated amount of contracts remaining to be executed on capital account of ₹ 0.57 Crores (As at March 31, 2024 ₹ 0.54 Crores).

B. Contingent Liabilities:

- Claim against the Company not acknowledged as debt :
- In respect of legal cases : ₹ 0.06 Crores (As at March 31, 2024 ₹ 0.15 Crores)



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- In respect of taxation matters :

(₹ in Crores)					
Particulars	Year to which demand pertains	Nature	Pending with Authority	As at March 31, 2025	As at March 31, 2024
Income Tax	FY 2019-20	Addition to Taxable Income	CIT(Appeals)	7.28	7.28
	FY 2017-18	Mismatches related to Input tax credit	Commissioner (Appeals)	0.76	-
	FY 2018-19	Mismatches related to Input tax credit	Jurisdictional Officer	-	0.20
Goods & Services Tax	FY 2019-20	Mismatches related to Input tax credit	Commissioner (Appeals)	0.19	-
	FY 2020-21	Mismatches related to Input tax credit	In process of filling appeal	1.32	-
	FY 2020-21 to FY 2021-22	Mismatches related to Output tax liability	Commissioner (Appeals)	9.33	-
Total				18.88	7.48

*The Company has deposited 0.05 crores (P.Y 0.04 Crores) against Goods and service tax demand of 0.95 Crores (P.Y 0.76 Crores).

Bank guarantees :

Credit enhancement and Guarantee given for securitisation and assignment transactions amounting to ₹ 75.54 Crores and ₹ 23.34 Crores respectively (As at March 31, 2024 ₹ 79.91 Crores and ₹ 23.34 Crores).

Note 36. Disclosure as per Ind AS -108 “Operating Segments”

The Company’s main business is financing by way of loans for the purchase or construction of residential houses, loans against property and construction of real estate and certain other purposes, in India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on ‘Operating Segments’.

The Company has its operations within India and all revenue is generated within India”

Note 36A. Corporate Social Responsibility

The Company was required to spend ₹ 20.50 Crores. (for FY 2023-24 ₹ 17.40 Crores) towards Corporate Social Responsibility (CSR) activities for the current financial year.

(₹ in Crores)			
Particulars	For the year ended March 31, 2025		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred#	6.11	14.69	20.81
(b) Shortfall at the end of the year*	-	14.69	14.69
(c) Total of previous years shortfall	4.39	2.51	6.90
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above (a)+[c]	10.50	17.20	27.70

includes the surplus arising out of CSR funds for the funds invested which is unspent as at March 31, 2025 amounting to ₹ 0.31 crores.

***Reason for Shortfall:** During the year ended March 31, 2025, the Company had contributed towards the ongoing projects which remained unspent as on March 31, 2025 resulting in a shortfall. The unspent amount has been transferred to a separate bank account in line with the statutory requirement which will be spent in the coming financial years.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)			
Particulars	For the year ended March 31, 2024		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	11.77	5.63	17.40
(b) Shortfall at the end of the year*	-	5.63	5.63
(c) Total of previous years shortfall	3.93	1.27	5.20
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above (a)+[c]	15.70	6.90	22.60

***Reason for Shortfall:** During the year ended March 31, 2024, the Company had contributed towards the ongoing projects which remained unspent as on March 31, 2024 resulting in a shortfall. The unspent amount was then transferred to a separate Bank account.

36A.1 Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures (refer note 41A).

36A.2 The Company has undertaken CSR activities as per schedule VII of the Companies Act, 2013

Note 37. Additional Regulatory Information under MCA Notification dated March 24, 2021

a. Details of Benami Property held: There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. Additional information where borrowings are from banks or financial institutions:

- (i) The quarterly returns (revised, if any) and statements of current assets filed by the Company with banks or financial institutions for the quarter ended June 2024, September 2024 and December 2024 are in agreement with the books of accounts. Further for quarter ended March 2025 the company has filed the provisional return and statement which will be revised subsequently based on audited numbers;
- (ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

c. Wilful Defaulter: The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

d. Relationship with Struck off Companies : During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, except with the parties disclosed below:

₹ in Crores)

Particulars	Balance outstanding as at		Relationship with struck off Company
	March 31, 2025	March 31, 2024	
Loans and Advances:			
Jasmin Infraproject Company Private Limited	0.47	0.47	None
Sethi Housing India Private Limited#	-	-	None
Beauty Channel Salon & Spa Private Limited	1.41	1.42	None
Iconic Products India Pvt Ltd.	2.76	2.76	None
Vendor:			
Epicenter Technologies Pvt Ltd*	-	0.00	None

*0.00 denotes amount less than ₹ Fifty thousands. During the year ended March 31, 2025 the name of the Company has been removed from the struck off companies.

Outstanding amount as on March 31, 2025 has been written off in the books of accounts.

Note: The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

e. Registration of charges or satisfaction with Registrar of Companies (ROC): In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

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



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

g. Ratios:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital to risk-weighted assets ratio (CRAR) (%)	47.15	42.84
Tier I CRAR (%)	43.55	37.62
Tier II CRAR (%)	3.60	5.22
Liquidity Coverage Ratio (%)	153.07	150.32

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

h. **Compliance with approved Scheme(s) of Arrangements:** The Company has not entered into Scheme of Arrangement in terms of section 230 to 237 of the Company Act, 2013

i. Utilisation of Borrowed funds and share premium:

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

j. **Undisclosed Income:** The Company does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are NIL previously unrecorded income and related assets.

k. **Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in Crypto currency or Virtual Currency.

Note 38.

On January 28, 2025, the Income Tax Department commenced a search under Section 132 of the Income Tax Act at the Company's registered office and certain residence of key management personnel of IIFL group. The search has been concluded and the Company has fully cooperated, provided necessary clarifications and information. As of the date of these financial statements, the Company has not received any communication from the Department regarding the outcome of the search. Accordingly, the potential financial impact, if any, arising from the search proceedings cannot be ascertained at this stage.

Note 39 Financial Instruments

Note 39 A. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk comprising of interest rate risk, currency risk and price risk.

Risk management is integral to Company's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing.

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Company's growth and performance.

Financial Risk Management Structure

The Company has established multi-level risk governance for monitoring & control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee ("RMC") which is responsible for monitoring the overall risk process

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

within the Company. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer ("CEO") with oversight of RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company has a risk framework constituting various lines of defence – the first line of defence consisting of the Management of the Company being responsible for seamless integration of risk principles across all businesses. Additionally, it ensures managerial & supervisory controls to ensure compliance and highlight inadequate processes and unexpected events.

Independent risk & policy team constitutes second life of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control & self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

The Company has defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Company.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

39 A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, an asset is reviewed at a frequency determined based on the risk it carries at the review date. For effective risk management, the Company monitors its portfolio, based on product, underlying security and credit risk characteristics.

39 A.1(I) Credit Risk Grading of loans and loss allowances

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

The Company has initiated portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Company to standardize credit underwriting & improve sourcing quality in the long run.

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

The Company categorises loan assets into stages based on the Days Past Due status: -

Stage 1: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.



Notes forming part of Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd..)

Stage 2: [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: [More than 90 days Past Due and other cases basis regulatory guidelines] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Additionally, the Company evaluates risk based on staging which are as follows:

(₹ in Crores)		
Risk Categorisation	As at March 31, 2025	As at March 31, 2024
Stage 1*	24,014.11	21,991.78
Stage 2	1,645.51	1,178.78
Stage 3	457.74	340.92
Total	26,117.36	23,511.48

* Including CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil).

Financial Assets measured at simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on unsecured Inter Corporate Deposits to group companies, Trade Receivables, Investments and Other Financial Assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

39 A.1(II) Credit quality analysis

- (a). The following tables set out information about the credit quality of loans. Unless specifically indicated, for loans, the amounts in the table represent gross carrying amounts.

(₹ in Crores)				
Particulars	As at March 31, 2025			
	Loans where loss allowance measured at 12-month ECL	Loans for which credit risk has increased significantly and credit not impaired	Loans for which credit risk has increased significantly and credit impaired	Total
Loans at FVTOCI	3,099.55	111.62	-	3,211.17
Loans at amortised cost	20,303.04	1,533.89	457.74	22,294.67
Loans at FVTPL	611.52	-	-	611.52

(₹ in Crores)				
Particulars	As at March 31, 2024			
	Loans where loss allowance measured at 12-month ECL	Loans for which credit risk has increased significantly and credit not impaired	Loans for which credit risk has increased significantly and credit impaired	Total
Loans at FVTOCI	3,827.04	1.28	-	3,828.32
Loans at amortised cost	18,164.74	1,177.50	340.92	19,683.16

Notes forming part of Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd..)

- (b). The following tables show reconciliations from the opening to the closing balance of the Exposure At Default (EAD) and Expected Credit Loss (ECL) by class of financial instrument.

(₹ in Crores)								
Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding#	Unfunded exposure/ Interest Accrued*
Closing EAD as at March 31, 2024	21,810.71	3,369.81	1,128.67	88.54	342.90	(1.99)	23,282.28	3,456.36
New Loans Disbursed during the year	9,223.26	1,482.93	-	-	-	-	9,223.26	1,482.93
Loan Derecognised / repaid in part or full	(6,749.64)	(1,924.88)	(211.99)	(7.09)	(69.28)	(53.58)	(7,030.91)	(1,985.55)
Loans written off (including settlement loss)	(56.09)	(12.70)	(59.64)	(9.36)	(145.18)	1.19	(260.92)	(20.87)
Movement in Stages								
From Stage 1	(1,220.27)	(133.16)	1,018.72	102.82	201.55	30.34	-	-
From Stage 2	221.06	17.27	(378.88)	(37.35)	157.82	20.08	-	-
From Stage 3	23.13	(0.14)	10.01	(0.04)	(33.14)	0.17	-	-
Closing EAD as at March 31, 2025	23,252.17	2,799.13	1,506.89	137.52	454.67	(3.79)	25,213.71	2,932.86

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 2,640.73 Crores (As at March 31, 2024 ₹ 3,227.17 Crores)

Excluding CBLO amounting to ₹ 611.52 crores.

(₹ in Crores)								
Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing EAD as at March 31, 2023	16,623.25	2,202.02	1,044.74	70.65	387.46	(1.37)	18,055.45	2,271.30
New Loans Disbursed during the year	11,746.48	2,364.08	91.57	9.01	9.85	(0.08)	11,847.90	2,373.01
Loan Derecognised / repaid in part or full	(5,990.67)	(1,146.90)	(212.53)	(5.14)	(139.82)	(22.08)	(6,343.02)	(1,174.11)
Loans written off (including settlement loss)	(177.34)	(7.35)	(22.21)	(6.97)	(78.49)	0.48	(278.04)	(13.83)
Movement in Stages								
From Stage 1	(778.18)	(64.91)	637.48	53.12	140.70	11.80	-	-
From Stage 2	336.22	23.08	(427.46)	(32.09)	91.24	9.00	-	-
From Stage 3	50.96	(0.21)	17.09	(0.04)	(68.05)	0.26	-	-
Closing EAD as at March 31, 2024	21,810.71	3,369.81	1,128.67	88.54	342.90	(1.99)	23,282.29	3,456.36

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 3,227.17 Crores (As at March 31, 2023 ₹ 2,098.41 Crores)



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Loss Allowances

(₹ in Crores)

Reconciliation of Loss allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing ECL as at March 31, 2024	110.44	16.65	116.40	20.22	107.27	0.01	334.11	36.88
New Loans Disbursed during the year	44.01	8.18	-	-	-	-	44.01	8.18
Loan Derecognised / repaid in part or full	(39.86)	(8.59)	41.98	17.55	84.89	(4.59)	87.01	4.38
Loans written off (including settlement loss)	(2.16)	(0.17)	(14.79)	(3.05)	(61.50)	-	(78.45)	(3.22)
Movement in Stages								
From Stage 1	(13.73)	(1.81)	11.36	1.37	2.37	0.44	-	-
From Stage 2	20.29	3.48	(42.55)	(7.61)	22.26	4.13	-	-
From Stage 3	7.11	-	3.00	-	(10.11)	-	-	-
Closing ECL as at March 31, 2025	126.10	17.74	115.40	28.48	145.19	0.01	386.68	46.22

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 10.99 Crores (As at March 31, 2024 ₹ 13.89 Crores).

(₹ in Crores)

Reconciliation of Loss allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing ECL as at March 31, 2023	245.27	20.53	112.79	7.26	108.19	(0.01)	466.26	27.79
New Loans Disbursed during the year	40.48	9.69	11.19	2.81	2.73	-	54.41	12.49
Loan Derecognised / repaid in part or full	(169.12)	(14.01)	27.92	13.29	52.14	(1.30)	(89.06)	(2.03)
Loans written off (including settlement loss)	(33.25)	(0.63)	(12.83)	(0.72)	(51.40)	-	(97.47)	(1.35)
Movement in Stages								
From Stage 1	(16.52)	(0.75)	13.20	0.60	3.32	0.15	-	-
From Stage 2	30.24	1.83	(40.25)	(3.01)	10.01	1.18	-	(0.00)
From Stage 3	13.33	-	4.38	-	(17.71)	-	-	-
Closing ECL as at March 31, 2024	110.44	16.65	116.40	20.22	107.27	0.01	334.13	36.90

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 13.89 Crores (As at March 31, 2023 ₹ 18.88 Crores).

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.1(III) Concentration of credit risk

Concentrations arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

The Company's loan outstanding from borrowers residing across 5 various states of India is 52% (As at March 31 2024: 57%)

39 A.1(IV) Contractual amount outstanding on financial assets that were written off during the reporting year

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Write off (net of recoveries)	209.62	245.12

39 A.1(V) Collateral held

The Company is in the business of extending secured loans backed by mortgage of property (residential or commercial). This also includes cross-collateralisation on other property(ies) of the borrower. The Company assesses and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Company also requests for additional collateral(s).

In normal course of business, the Company does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt. Refer Note No. 7 for secured and unsecured loans.

39 A.1(VI) Modified financial assets

For financial assets, such as a loan to a customer, where the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amortised Cost of Modified Assets at the time of modification during the year	-	-
Modification (Gain)/Loss for modification during the year	-	-

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount of Modified financial assets	219.96	311.04

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification "Resolution Framework for COVID-19-related Stress".



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.2 Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. Further, The Company has defined Asset Liability Management (ALM) Framework with an organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2025	Total	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	16.23	-	-	16.23	-	-	-
Trade Payables	66.38	66.38	-	-	-	-	-
Lease liabilities*	99.95	4.06	3.89	7.67	27.75	22.39	34.19
Debt Securities	4,232.72	796.86	295.40	307.65	1,358.52	1,297.20	177.09
Borrowings (Other than Debt Securities)	14,502.57	476.70	650.82	1,369.62	4,836.20	3,572.72	3,596.51
Subordinated Liabilities	839.00	3.28	22.16	0.08	-	101.82	711.66
Other financial liabilities	965.52	958.47	-	-	7.05	-	-

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2024	Total	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	2.61	-	-	2.61	-	-	-
Trade Payables	71.81	71.81	-	-	-	-	-
Lease liabilities*	51.62	3.44	3.40	6.77	16.86	10.09	11.06
Debt Securities	3,613.04	156.24	47.97	566.96	945.16	963.02	933.69
Borrowings (Other than Debt Securities)	13,033.19	569.24	666.31	1,274.21	4,295.05	3,263.05	2,965.32
Subordinated Liabilities	1,037.38	3.28	22.16	0.08	-	1,011.86	-
Other financial liabilities	1,054.10	1,054.10	-	-	-	-	-

*Contractual maturities of Lease liabilities are on undiscounted basis.

(ii) Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at March 31, 2024	Cash flows	Others*	As at March 31, 2025
Debt Securities (Including subordinated liabilities)	4,650.42	547.65	(126.35)	5,071.72
Borrowings (Other than Debt Securities)	13,033.19	1,482.16	(12.78)	14,502.57
Total Liabilities from Financial Activities	17,683.61	2,029.81	(139.13)	19,574.29

(₹ in Crores)

Particulars	As at March 31, 2023	Cash flows	Others*	As at March 31, 2024
Debt Securities (Including subordinated liabilities)	3,332.53	1,248.10	69.79	4,650.42
Borrowings (Other than Debt Securities)	11,620.67	1,456.20	(43.68)	13,033.19
Total Liabilities from Financial Activities	14,953.20	2,704.30	26.11	17,683.61

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, exchange differences and conversation factor of derivative instruments.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.3 Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Company's exposure to market risk is primarily on account of interest rate risk, foreign exchange risk and price risk.

39 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The rise or fall in interest rates impact the Company's Net Interest Income.

Total Borrowings of the Company are as follows:

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Floating rate borrowings	11,657.94	8,477.49
Fixed rate borrowings	7,916.35	9,206.12
Total borrowings	19,574.29	17,683.61

As at the end of the reporting year, the Company had the following floating rate borrowings:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans, bank overdrafts and Securitisation Liability	8.94%	11,657.94	59.56%	9.01%	8,477.49	47.94%
Net exposure to cash flow interest rate risk		11,657.94	59.56%		8,477.49	47.94%

As at the end of the reporting year, the Company had the following cross currency interest rate swap contracts/ forward contracts outstanding:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cross Currency Interest Rate Swaps and Forward Contracts	7.61%	2,140.75	10.94%	7.74%	1,523.99	8.62%

The Company had following floating rate loans and advances outstanding:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Loans and advances*	12.33%	25,505.84	100.00%	12.65%	23,511.48	100.00%

*Certain loans disbursed by Company carry a fix rate of interest only for an initial short tenure of the loan(not more than 3 years), however, all loans granted are considered to be floating rate loans.



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in Crores)

Particulars	Impact on profit after tax and equity		Impact on other components of equity	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 30 basis points (30 bps) *	(26.17)	(19.03)	-	-
Interest rates – decrease by 30 basis points (30 bps) *	26.17	19.03	-	-

* Holding all other variables constant

Profit or loss is sensitive to higher/lower interest income from loans and advances as a result of changes in interest rates.

(₹ in Crores)

Particulars	Impact on profit after tax and equity	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 30 basis points (30 bps) *	57.26	52.78
Interest rates – decrease by 30 basis points (30 bps) *	(57.26)	(52.78)

* Holding all other variables constant

39 A.3(II) Exposure to currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB).

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swaps and forwards contracts are entered to hedge certain foreign currency risk exposures and variable interest rate exposures, the Company's central treasury department identifies, evaluates and hedges financial risks in close co- operation with the Company's operating units

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Cross Currency Interest Rate Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profit before tax (PBT) and equity.

(₹ in Crores)

Particulars	Amount Outstanding	
	In INR	In USD
Borrowing as on March 31, 2025	2,140.75	24.85
Borrowing as on March 31, 2024	1,523.99	18.16

Since the Company has entered into derivative transaction to hedge this borrowing, the Company is not exposed to any currency risk on this borrowing.

39 A.3(III) Price Risk

The Company's investments carry a risk of change in prices. To manage its price risk arising from investments, the Company periodically monitors the performance of the investee. The Company's exposure to assets having price risk is insignificant.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39.B Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Debt (₹ in Crores)	19,574.28	17,683.62
Total Equity (₹ in Crores)	7,490.31	6,447.40
Total Debt to Equity Ratio (times)	2.61	2.74

Total Debt includes debt securities, borrowings (Other than Debt Securities) and subordinated liabilities.

Total Equity includes equity share capital and other equity.

39.B.1 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments and the significant valuation judgements in respect of Level 3 instruments.

The tables shown subsequently in Note 39.B.2 is disclosing the fair value of all instruments measured at fair value through profit or loss or fair value through OCI or amortized cost. With respect to Bank balances and cash and cash equivalents, Trade receivables, Other financial assets, Trade payables, Lease liabilities and Other financial liabilities, the carrying value approximates the fair value.

The following table shows an analysis of financial instruments:

(₹ in Crores)

Particulars	As at March 31, 2025			
	FVTPL	FVTOCI	Amortised cost / Cost	Total
Financial assets				
Cash and cash equivalents	-	-	874.58	874.58
Bank Balance other than cash and cash equivalents	-	-	598.57	598.57
Receivables				
(i) Trade Receivables	-	-	54.58	54.58
Loans	611.52	3,185.36	21,887.58	25,684.46
Investments	287.84	-	87.64	375.48
Other Financial assets	-	-	607.83	607.83
Total financial assets	899.36	3,185.36	24,110.78	28,195.50
Financial liabilities				
Derivative financial instruments	-	16.23	-	16.23
Trade Payables	-	-	66.38	66.38
Lease liabilities	-	-	73.38	73.38
Debt Securities	-	-	4,232.72	4,232.72
Borrowings (Other than Debt Securities)	-	-	14,502.57	14,502.57
Subordinated Liabilities	-	-	839.00	839.00
Other financial liabilities	-	-	965.52	965.52
Total financial liabilities	-	16.23	20,679.57	20,695.80



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2024			
	FVTPL	FVTOCI	Amortised cost / Cost	Total
Financial assets				
Cash and cash equivalents	-	-	771.15	771.15
Bank Balance other than cash and cash equivalents	-	-	299.23	299.23
Receivables				
(i) Trade Receivables	-	-	47.94	47.94
Loans	-	3,810.85	19,329.63	23,140.48
Investments	401.60	-	180.53	582.13
Other Financial assets	-	-	486.44	486.44
Total financial assets	401.60	3,810.85	21,114.93	25,327.38
Financial liabilities				
Derivative financial instruments	-	2.61	-	2.61
Trade Payables	-	-	71.81	71.81
Lease liabilities	-	-	40.77	40.77
Debt Securities	-	-	3,613.04	3,613.04
Borrowings (Other than Debt Securities)	-	-	13,033.19	13,033.19
Subordinated Liabilities	-	-	1,037.38	1,037.38
Other financial liabilities	-	-	1,054.10	1,054.10
Total financial liabilities	-	2.61	18,850.30	18,852.91

39.B.2 Financial instruments measured at fair value – Fair value hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

As at March 31, 2025

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	3,185.36	3,185.36
Loans at FVTPL	611.52	-	-	611.52
Investments				
(i) Debt Securities, Government securities, equity instruments	262.84	-	25.00	287.84
Total financial assets	874.36	-	3,210.36	4,084.72
Financial liabilities				
Foreign exchange forward contracts and Cross Currency	-	16.23	-	16.23
Interest Rate Swaps	-	-	-	-
Total financial liabilities	-	16.23	-	16.23

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

As at March 31, 2024

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	3,810.85	3,810.85
Investments				
(i) Debt Securities, Security Receipts and G-Sec	401.60	-	-	401.60
Total financial assets	401.60	-	3,810.85	4,212.45
Financial liabilities				
Foreign exchange forward contracts and Cross Currency	-	2.61	-	2.61
Interest Rate Swaps	-	-	-	-
Total financial liabilities	-	2.61	-	2.61

Valuation technique used to determine fair value

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

As at March 31, 2025

(₹ in Crores)

Assets and liabilities which are measured at amortised cost / cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	21,887.35	21,887.58	Level 3
Investments			
(i) In other securities*	67.59	67.59	Level 3
(ii) In subsidiary#	-	20.05	Level 3
Total financial assets	21,954.94	21,975.22	
Financial Liabilities			
Debt Securities	4,190.39	4,232.72	Level 3
Borrowings (Other than Debt Securities)	14,502.57	14,502.57	Level 3
Subordinated Liabilities	821.32	839.00	Level 3
Total financial liabilities	19,514.28	19,574.29	

As at March 31, 2024

(₹ in Crores)

Assets and liabilities which are measured at amortised cost / cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	19,327.76	19,329.63	Level 3
Investments			
(i) In other securities*	181.58	180.48	Level 1 /Level 3
(ii) In subsidiary#	-	0.05	Level 3
Total financial assets	19,509.34	19,510.17	
Financial Liabilities			
Debt Securities	3,479.24	3,613.04	Level 3
Borrowings (Other than Debt Securities)	13,033.19	13,033.19	Level 3
Subordinated Liabilities	1,029.13	1,037.38	Level 3
Total financial liabilities	17,541.56	17,683.61	

*Investments are measured at amortised Cost, the fair value for these investments is determined using Level 3 inputs as disclosed in note no. 8.

#Investment in subsidiaries are carried at cost, hence, fair value is not disclosed.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

- (ii) **Loans:** The cash flows at the fixed rate were discounted to present value at the applicable internal benchmark rates. This value, as estimated, was discounted to present value at the applicable rates to determine their fair value. The fair value of floating rate loans are deemed to be equivalent to the carrying value.
- (iii) **Investments in Other securities:** Other Securities (e.g. certificate of deposits, commercial papers, etc.) are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 1 and or Level 3.
- (iii) **Debt Securities and Subordinated Liabilities:** The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.
- (iv) **Borrowings (Other than Debt Securities):** The fair value of Borrowings (Other than Debt Securities) are deemed to be equivalent to the carrying value.
- (v) **Financial assets and liabilities:** For financial assets and financial liabilities that have a short-term nature and long term financial assets and liabilities having floating rate structure, carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, lease liabilities, other financial assets & liabilities.

39.B.3 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing net amounts of Level 3 financial assets which are recorded at fair value.
(₹ in Crores)

Particulars	Loans - FVTOCI	
	As at March 31, 2025	As at March 31, 2024
Opening Balance	3,810.85	2,829.19
Loans derecognised during the year	(3,085.28)	(2,485.19)
Loans originated (net)	2,459.80	3,466.85
Closing Balance	3,185.36	3,810.85

Particulars	Investments	
	As at March 31, 2025	As at March 31, 2024
Opening Balance	-	-
Amount invested during the year	25.00	-
Amount redeemed during the year	-	-
Closing Balance	25.00	-

40.1 Transferred financial assets that are derecognised in their entirety

During the year, the Company has sold loans and advances as per assignment and asset reconstruction (ARC) deals, as a source of finance. As per the terms of deals, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The management has evaluated the impact of the assignment and asset reconstruction transactions done during the year for its business model. Based on the future business plans, the Company's business model remains to hold the assets for collecting contractual cash flows.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The table below summarises the carrying amount of the derecognised financial assets and the gain/(loss) on derecognition:
(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount of derecognised financial assets under FVTOCI	3,085.28	2,485.19
Carrying amount of derecognised financial assets under amortised cost	61.12	-
Gain from derecognition of financial assets under FVTOCI	214.10	177.77
Loss from derecognition of financial assets under amortised cost (after considering ECL)	(11.70)	-

40.2 Transferred financial assets that are not derecognised in their entirety:

The Company uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in Crores)

Securitisations	As at March 31, 2025	As at March 31, 2024
Carrying amount of transferred assets measured at amortised cost	501.45	144.99
Carrying amount of associated liabilities	482.92	145.28
Fair value of assets	501.45	144.99
Fair value of associated liabilities	482.92	145.28

41. Related Party Disclosures as per Ind AS – 24 “Related Party Disclosure” for the year ended March 31, 2025

Nature of relationship	Name of Party
Holding company	IIFL Finance Limited
Fellow Subsidiaries	IIFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited) IIFL Open Fintech Private Limited
Subsidiary company	IIHFL Sales Limited IIFL Facilities Services Limited IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) IIFL Management Services Limited Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited) Livlong Protection & Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited)
Other Related Parties (Due to common Promoter)	5Paisa Capital Limited India Infoline Foundation 360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited) (ceased w.e.f. July 11, 2024) 360 One WAM Limited (Formerly known as IIFL Wealth Management Limited) (ceased w.e.f. July 11, 2024)
Key Management Personnel and other Directors	Mr. Nirmal Jain - Non-Executive Director Mr. R Venkataraman - Non-Executive Director Mr. S. Sridhar - Chairman and Non-Executive Director Mr. AK Purwar - Independent Director (ceased w.e.f. April 01, 2024) Mr. Kranti Sinha - Independent Director (ceased w.e.f. August 08, 2023) Ms. Mohua Mukherjee - Independent Director Mr. Mathew Joseph - Independent Director (w.e.f. October 31, 2023) Mr. Venkataramanan Anantharaman - Independent Director (w.e.f. February 21, 2023)



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Nature of relationship	Name of Party
	Mr. Mohan Shekhar - Independent Director (w.e.f. June 30, 2024)
	Mr. Ramakrishnan Subramanian- Independent Director (w.e.f. April 01, 2024)
	Mr. Monu Ratra - Executive Director & CEO
	Mr. Kabir Mathur - Nominee Director (w.e.f. August 22, 2022)
	Mr. Ajay Jaiswal - Company Secretary
	Mr. Amit Gupta - Chief Financial Officer (up to October 17, 2023)
	Mr. Gaurav Seth - Chief Financial Officer (w.e.f. October 17, 2023 till February 11, 2025)
	Mr. Sumit Jhunjunwala- Chief Financial Officer (w.e.f. February 12, 2025)

Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosure has been made only when there have been transactions with those parties.

41 A. Significant transactions with related parties:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Interest income						
IIFL Finance Limited	6.38	-	-	-	-	6.38
	[21.11]	(-)	(-)	(-)	(-)	[21.11]
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	[8.81]	(-)	[8.81]
IIHFL Sales Limited	-	0.46	-	-	-	0.46
	(-)	(-)	(-)	(-)	(-)	(-)
5paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	[6.75]	(-)	[6.75]
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	[5.51]	(-)	(-)	[5.51]
Interest Expense						
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	[0.33]	(-)	[0.33]
360 One WAM Limited	-	-	-	-	-	-
	(-)	(-)	(-)	[0.11]	(-)	[0.11]
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	[0.16]	(-)	[0.16]
Corporate Social Responsibility Expense (CSR)						
India Infoline Foundation	-	-	-	17.71	-	17.71
	(-)	(-)	(-)	[16.46]	(-)	[16.46]
CSR Unspent amount received / receivable back (Including surplus on unspent CSR amount)						
India Infoline Foundation	-	-	-	12.65	-	12.65
	(-)	(-)	(-)	[3.54]	(-)	[3.54]
Arranger fees Expense / Loan Sourcing Fee						
IIFL Capital Services Limited	-	-	-	0.84	-	0.84
	(-)	(-)	(-)	[0.84]	(-)	[0.84]
IIHFL Sales Limited	-	15.59	-	-	-	15.59
	(-)	[22.74]	(-)	(-)	(-)	[22.74]
Commission/ Brokerage Expense						
IIFL Capital Services Limited	-	-	-	1.65	-	1.65
	(-)	(-)	(-)	[0.07]	(-)	[0.07]
Rent Expense						
IIFL Facilities Services Limited	-	-	-	2.71	-	2.71
	(-)	(-)	(-)	[3.53]	(-)	[3.53]

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Remuneration and Compensation to KMP						
Mr. Monu Ratra - Remunerations	-	-	-	-	3.23	3.23
	(-)	(-)	(-)	(-)	[6.39]	[6.39]
Mr. Monu Ratra - Short Term Benefit (perquisites)	-	-	-	-	49.61	49.61
	(-)	(-)	(-)	(-)	[11.11]	[11.11]
Mr. Monu Ratra - Post Employment Benefit	-	-	-	-	0.03	0.03
	(-)	(-)	(-)	(-)	[0.02]	[0.02]
Mr. Gaurav Seth - Remunerations	-	-	-	-	1.65	1.65
	(-)	(-)	(-)	(-)	[1.39]	[1.39]
Mr. Gaurav Seth - Short Term Benefit (perquisites)	-	-	-	-	0.35	0.35
	(-)	(-)	(-)	(-)	[1.11]	[1.11]
Mr. Gaurav Seth - Post Employment Benefit	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.04]	[0.04]
Mr. Amit Gupta - Remunerations	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.47]	[0.47]
Mr. Amit Gupta - Short Term Benefit (perquisites)	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.05]	[0.05]
Mr. Amit Gupta - Post Employment Benefit	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.01]	[0.01]
Mr. Sumit Jhunjunwala- Remunerations	-	-	-	-	0.08	0.08
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Sumit Jhunjunwala - Short Term Benefit (perquisites)	-	-	-	-	0.09	0.09
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Sumit Jhunjunwala - Post Employment Benefit	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Ajay Jaiswal - Remunerations	-	-	-	-	0.88	0.88
	(-)	(-)	(-)	(-)	[1.01]	[1.01]
Mr. Ajay Jaiswal - Short Term Benefit (perquisites)	-	-	-	-	2.31	2.31
	(-)	(-)	(-)	(-)	[0.57]	[0.57]
Mr. Ajay Jaiswal - Post Employment Benefit	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	[0.01]	[0.01]
Short Term Benefits - Sitting Fees paid to Directors						
Mr. Kranti Sinha	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.04]	[0.04]
Mr. S. Sridhar	-	-	-	-	0.14	0.14
	(-)	(-)	(-)	(-)	[0.12]	[0.12]
Mr. AK Purwar	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	[0.04]	[0.04]
Mr. Mathew Joseph	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	[0.02]	[0.02]
Mr. Venkataramanan Anantharaman	-	-	-	-	0.11	0.11
	(-)	(-)	(-)	(-)	[0.05]	[0.05]



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Mr. Mohan Shekhar	-	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Ramakrishnan Subramanian	-	-	-	-	0.08	0.08
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Mohua Mukherjee	-	-	-	-	0.07	0.07
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Commission to Directors						
Mr. Kranti Sinha	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.13)	(0.13)
Mr. S. Sridhar	-	-	-	-	0.38	0.38
	(-)	(-)	(-)	(-)	(0.24)	(0.24)
Mr. Mathew Joseph	-	-	-	-	0.24	0.24
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Venkataramanan Anantharaman	-	-	-	-	0.30	0.30
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Mohan Shekhar	-	-	-	-	0.15	0.15
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Ramakrishnan Subramanian	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Mohua Mukherjee	-	-	-	-	0.30	0.30
	(-)	(-)	(-)	(-)	(0.20)	(0.20)
Interim Dividend Payment						
IIFL Finance Limited (including nominees)	-	-	-	-	-	-
	(115.32)	(-)	(-)	(-)	(-)	(115.32)
ICD/Loan Given						
IIFL Finance Limited	800.00	-	-	-	-	800.00
	(1,450.00)	(-)	(-)	(-)	(-)	(1,450.00)
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(1,025.00)	(-)	(1,025.00)
IIHFL Sales Limited	-	19.00	-	-	-	19.00
	(-)	(-)	(-)	(-)	(-)	(-)
5paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(430.00)	(-)	(430.00)
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(400.00)	(-)	(-)	(400.00)
ICD/Loan received back						
IIFL Finance Limited	800.00	-	-	-	-	800.00
	(1,450.00)	(-)	(-)	(-)	(-)	(1,450.00)
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(1,025.00)	(-)	(1,025.00)
IIHFL Sales Limited	-	19.00	-	-	-	19.00
	(-)	(-)	(-)	(-)	(-)	(-)
5paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(430.00)	(-)	(430.00)
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(400.00)	(-)	(-)	(400.00)
Purchase of Investment						
IIFL Finance Limited	-	-	-	-	-	-
	(63.84)	(-)	(-)	(-)	(-)	(63.84)
Sale of Investment						
IIFL Finance Limited	109.50	-	-	-	-	109.50
	(2.38)	(-)	(-)	(-)	(-)	(2.38)
Purchase of Equity Shares						
IIHFL Sales Limited	-	20.00	-	-	-	20.00
	(-)	(-)	(-)	(-)	(-)	(-)

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Security Deposit Received back						
IIFL Facilities Services Limited	-	-	-	1.18	-	1.18
	(-)	(-)	(-)	(-)	(-)	(-)
Security Deposit Paid						
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.98)	(-)	(0.98)
Net Interest Accrued						
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
360 One Prime Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.07)	(-)	(0.07)
Commission on Corporate Guarantee						
IIFL Finance Limited	3.61	-	-	-	-	3.61
	(4.93)	(-)	(-)	(-)	(-)	(4.93)
Allocation of expenses paid						
IIFL Capital Services Limited	-	-	-	3.72	-	3.72
	(-)	(-)	(-)	(3.18)	(-)	(3.18)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Finance Limited	5.11	-	-	-	-	5.11
	(5.31)	(-)	(-)	(-)	(-)	(5.31)
5Paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIHFL Sales Limited	-	9.44	-	-	-	9.44
	(-)	(8.58)	(-)	(-)	(-)	(8.58)
IIFL Facilities Services Limited	-	-	-	1.31	-	1.31
	(-)	(-)	(-)	(1.16)	(-)	(1.16)
Reimbursement paid						
IIFL Capital Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Finance Limited	0.19	-	-	-	-	0.19
	(0.14)	(-)	(-)	(-)	(-)	(0.14)
IIHFL Sales Limited	-	0.10	-	-	-	0.10
	(-)	(0.01)	(-)	(-)	(-)	(0.01)
ESOP						
IIFL Capital Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.05	-	-	-	-	0.05
	(1.33)	(-)	(-)	(-)	(-)	(1.33)
Allocation of expenses received						
IIFL Management Services Limited	-	-	-	0.04	-	0.04
	(-)	(-)	(-)	(0.03)	(-)	(0.03)
IIFL Capital Services Limited	-	-	-	0.86	-	0.86
	(-)	(-)	(-)	(0.49)	(-)	(0.49)
5Paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.47	-	0.47
	(-)	(-)	(-)	(0.15)	(-)	(0.15)
IIFL Finance Limited	1.16	-	-	-	-	1.16
	(1.17)	(-)	(-)	(-)	(-)	(1.17)
IIHFL Sales Limited	-	0.85	-	-	-	0.85



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
	(-)	(0.11)	(-)	(-)	(-)	(0.11)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Reimbursement received						
IIFL Finance Limited	0.06	-	-	-	-	0.06
	(0.06)	(-)	(-)	(-)	(-)	(0.06)
5Paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIHFL Sales Limited	-	0.11	-	-	-	0.11
	(-)	(0.01)	(-)	(-)	(-)	(0.01)
Sale of Fixed Assets						
IIHFL Sales Limited	-	0.00	-	-	-	0.00
	(-)	(0.03)	(-)	(-)	(-)	(0.03)
5paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	0.49	-	0.49
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.20	-	-	-	-	0.20
	(0.48)	(-)	(-)	(-)	(-)	(0.48)
IIFL Capital Services Limited	-	-	-	0.12	-	0.12
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
Payment of Assignment Transactions						
IIFL Finance Limited	27.61	-	-	-	-	27.61
	(45.04)	(-)	(-)	(-)	(-)	(45.04)
Purchase of Fixed Assets						
IIHFL Sales Limited	-	0.00	-	-	-	0.00
	(-)	(0.01)	(-)	(-)	(-)	(0.01)
5paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Finance Limited	0.20	-	-	-	-	0.20
	(0.06)	(-)	(-)	(-)	(-)	(0.06)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Capital Services Limited	-	-	-	0.10	-	0.10
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
Livlong Insurance Brokers Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)

Note: The above remuneration of KMPs comprises of salary, allowances, performance bonus, etc. but excludes non-monetary value of other perquisites computed on the basis of the Income Tax Act, 1961 and Rules thereon.

Figures in brackets () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

41 B. Closing balance:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company						
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.12)	(-)	(0.12)
IIFL Capital Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.31)	(-)	(0.31)
IIFL Finance Limited	0.04	-	-	-	-	0.04
	(5.88)	(-)	(-)	(-)	(-)	(5.88)
5paisa Capital Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIHFL Sales Limited	-	5.51	-	-	-	5.51
	(-)	(4.99)	(-)	(-)	(-)	(4.99)
Livlong Insurance Brokers Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
Receivable from Group/Holding Company						
Livlong Protection & Wellness Solutions Limited	-	-	-	0.29	-	0.29
	(-)	(-)	(-)	(0.04)	(-)	(0.04)
5 Paisa Capital Ltd	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
India Infoline Foundation (Unspent CSR amount)	-	-	-	12.65	-	12.65
	(-)	(-)	(-)	(-)	(-)	(-)
Debt Securities Outstanding						
360 One WAM Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(2.09)	(-)	(2.09)
Provision for Post Employment Benefits						
Mr. Monu Ratra	-	-	-	-	0.33	0.33
	(-)	(-)	(-)	(-)	(0.30)	(0.30)
Mr. Gaurav Seth	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Amit Gupta	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.16)	(0.16)
Mr. Sumit Jhunjhunwala	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Ajay Jaiswal	-	-	-	-	0.18	0.18
	(-)	(-)	(-)	(-)	(0.16)	(0.16)
Sitting fees Payable						
Mr. S. Sridhar	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Ms. Mohua Mukherjee	-	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Mr. AK Purwar	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Venkataramanan Anantharaman	-	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Ramakrishnan Subramanian	-	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Mohan Shekhar	-	-	-	-	0.00	0.00



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)						
Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Mathew Joseph	-	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Commission Payable						
Mr. Kranti Sinha	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.03)	(0.03)
Mr. S. Sridhar	-	-	-	-	0.25	0.25
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Ms. Mohua Mukherjee	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Venkataramanan Anantharaman	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Ramakrishnan Subramanian	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Mohan Shekhar	-	-	-	-	0.15	0.15
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Mathew Joseph	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Corporate Guarantee						
IIFL Finance Limited	260.33	-	-	-	-	260.33
	(410.32)	(-)	(-)	(-)	(-)	(410.32)
Security Deposit receivable						
IIFL Facilities Services Limited	-	-	-	0.31	-	0.31
	(-)	(-)	(-)	(1.49)	(-)	(1.49)
Investment in subsidiary						
IIHFL Sales Limited	-	20.05	-	-	-	20.05
	(-)	(0.05)	(-)	(-)	(-)	(0.05)
Equity share capital						
IIFL Finance Limited	20.97	-	-	-	-	20.97
	(20.97)	(-)	(-)	(-)	(-)	(20.97)

Please refer ESOP note for ESOP outstanding to KMPs

Figures in brackets () represents previous year's figures.

.00 denotes amount less than ₹ Fifty thousands

41 C. Terms and conditions of transactions with related parties

All transactions with these related parties are priced on an arm's length basis. Further with regards to Inter corporate deposits, these are given / taken back as part of the treasury management activities and these are generally short term in nature and are at prevalent arm's length rate of interest.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2025

(₹ in Crores)				
Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
	ASSETS			
1	Financial Assets			
	(a) Cash and cash equivalents	874.58	-	874.58
	(b) Bank balance other than (a) above	230.31	368.26	598.57
	(c) Receivables			
	(I) Trade receivables	54.58	-	54.58
	(d) Loans	5,235.36	20,449.10	25,684.46
	(e) Investments	2.52	372.96	375.48
	(f) Other financial assets	84.85	522.98	607.83
2	Non-financial Assets			
	(a) Current tax assets (net)	-	60.91	60.91
	(b) Deferred tax assets (net)	-	4.63	4.63
	(c) Investment Property	-	2.02	2.02
	(d) Property, plant and equipment	-	6.28	6.28
	(e) Intangible asset under development	-	0.10	0.10
	(f) Other intangible assets	-	0.65	0.65
	(g) Right of use assets	-	69.58	69.58
	(h) Other non-financial assets	7.38	4.74	12.12
	Total Assets (A)	6,489.58	21,862.21	28,351.79
	LIABILITIES			
1	Financial Liabilities			
	(a) Derivative financial instruments	16.23	-	16.23
	(b) Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	8.11	-	8.11
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	58.24	0.03	58.27
	(c) Lease liabilities	9.76	63.62	73.38
	(d) Debt securities	1,399.91	2,832.81	4,232.72
	(e) Borrowings (other than debt securities)	2,497.14	12,005.43	14,502.57
	(f) Subordinated liabilities	25.52	813.48	839.00
	(g) Other financial liabilities	958.47	7.05	965.52
2	Non-financial Liabilities			
	(a) Provisions	21.78	10.39	32.17
	(b) Other non-financial liabilities	112.73	20.78	133.51
3	Total liabilities (B)	5,107.89	15,753.59	20,861.48
4	Net Assets (A-B)	1,381.69	6,108.62	7,490.31

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2024

(₹ in Crores)				
Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
ASSETS				
1	Financial Assets			
	(a) Cash and cash equivalents	771.15	-	771.15
	(b) Bank balance other than (a) above	218.23	81.00	299.23
	(c) Receivables			
	(i) Trade receivables	47.94	-	47.94
	(d) Loans	4,679.81	18,460.67	23,140.48
	(e) Investments	105.65	476.48	582.13
	(f) Other financial assets	21.64	464.80	486.44
2	Non-financial Assets			
	(a) Current tax assets (net)	-	18.78	18.78
	(b) Deferred tax assets (net)	-	31.46	31.46
	(c) Investment Property	-	2.16	2.16
	(d) Property, plant and equipment	-	7.42	7.42
	(e) Intangible asset under development	-	0.34	0.34
	(f) Other intangible assets	-	0.56	0.56
	(g) Right of use assets	-	38.55	38.55
	(h) Other non-financial assets	-	7.67	7.67
	Total Assets (A)	5,844.42	19,589.89	25,434.31
LIABILITIES				
1	Financial Liabilities			
	(a) Derivative financial instruments	-	2.61	2.61
	(b) Payables			
	(i) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.12	-	3.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	68.70	-	68.70
	(c) Lease liabilities	10.56	30.21	40.77
	(d) Debt securities	771.17	2,841.87	3,613.04
	(e) Borrowings (other than debt securities)	2,509.76	10,523.43	13,033.19
	(f) Subordinated liabilities	25.52	1,011.86	1,037.38
	(g) Other financial liabilities	1,054.10	-	1,054.10
2	Non-financial Liabilities			
	(a) Current tax liabilities (net)	4.85	-	4.85
	(b) Provisions	21.02	9.02	30.04
	(c) Other non-financial liabilities	99.11	-	99.11
3	Total liabilities (B)	4,567.91	14,419.00	18,986.91
4	Net Assets (A-B)	1,276.51	5,170.89	6,447.40

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

43. NHB / RBI Disclosures

43 A. Disclosure made vide Notification “RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21” dated August 06, 2020 on Resolution Framework for COVID-19-related Stress (Resolution Framework 1.0).

(₹ in Crores)					
Type of Borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at September 30, 2024	(B) Of (A), aggregate debt that slipped into NPA during the half year	(C) Of (A), amount written off during the half year	(D) Of (A), amount paid by the borrower during the half year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at March 31, 2025
Personal Loans	142.70	8.63	0.93	9.70	123.44
Corporate persons of which MSMEs	-	-	-	-	-
Others	61.08	1.16	0.54	5.99	53.39
Total	203.78	9.79	1.47	15.69	176.83

43 B. Disclosure made vide Notification No - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 on “Implementation of Indian Accounting Standards”

As at March 31, 2025

(₹ in Crores)						
Asset Classification as per NHB / RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	23,402.60	123.93	23,278.68	83.82	40.11
	Stage 2	1,645.51	150.74	1,494.77	11.56	139.18
Subtotal		25,048.11	274.67	24,773.45	95.38	179.29
Non-Performing Asset						
Substandard	Stage 3	364.85	113.37	251.48	55.22	58.15
Subtotal for Substandard		364.85	113.37	251.48	55.22	58.15
Doubtful upto 1 year	Stage 3	69.78	23.33	46.45	18.86	4.47
1 to 3 years	Stage 3	21.61	9.03	12.58	9.03	-
More than 3 years	Stage 3	1.50	1.51	-	1.50	0.01
Subtotal for doubtful		92.89	33.87	59.03	29.39	4.48
Loss	Stage3	-	-	-	-	-
Subtotal for NPA		457.74	147.24	310.51	84.61	62.62
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) norm						
	Stage 1	2,581.02	9.41	2,571.61	-	9.41
	Stage 2	59.71	1.58	58.13	-	1.58
	Stage 3	-	-	-	-	-
Subtotal for Other Items		2,640.73	10.99	2,629.74	-	10.99
	Stage 1	25,983.62	133.34	25,850.28	83.82	49.52
	Stage 2	1,705.22	152.32	1,552.90	11.56	140.76
	Stage 3	457.74	147.24	310.51	84.61	62.62
Total	Total	28,146.58	432.90	27,713.70	179.99	252.90



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

As at March 31, 2024

(₹ in Crores)						
Asset Classification as per NHB / RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	21,991.79	115.41	21,876.38	84.60	30.80
	Stage 2	1,178.78	134.42	1,044.36	17.52	116.90
Subtotal		23,170.57	249.83	22,920.74	102.12	147.70
Non-Performing Asset						
Substandard	Stage 3	220.39	65.89	154.50	33.30	32.59
Subtotal for Substandard		220.39	65.89	154.50	33.30	32.59
Doubtful upto 1 year	Stage 3	103.42	33.94	69.48	29.82	4.12
1 to 3 years	Stage 3	16.48	6.84	9.64	6.84	0.00
More than 3 years	Stage 3	0.62	0.62	-	0.62	0.00
Subtotal for doubtful		120.52	41.40	79.12	37.28	4.12
Loss	Stage3	-	-	-	-	-
Subtotal for NPA		340.91	107.29	233.62	70.58	36.71
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) norm	Stage 1	3,188.73	11.68	3,177.05	-	11.68
	Stage 2	38.43	2.20	36.23	-	2.20
	Stage 3	-	-	-	-	-
Subtotal for Other Items		3,227.16	13.88	3,213.28	-	13.88
Total	Stage 1	25,180.52	127.09	25,053.43	84.60	42.49
	Stage 2	1,217.21	136.62	1,080.59	17.52	119.10
	Stage 3	340.91	107.29	233.62	70.58	36.71
	Total	26,738.64	371.00	26,367.64	172.70	198.30

In terms of the requirement as per RBI notifications no.RBI/2019-20/170DOR(NBFC).CC.PDNo.109/22.10.106/2019-20 dated March 13,2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at March 31, 2025 and for March 31, 2024 and accordingly, no amount is required to be transferred to impairment reserve.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

43C. Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021.

Liquidity Risk Management Framework

(₹ in Crores except otherwise stated)									
Sr. No.	Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Total High Quality Liquid Assets (HQLA)	591.35	569.91	466.51	457.16	427.07	399.31	489.17	479.31
	Cash and Bank Balance	36.98	36.98	20.94	20.94	26.45	26.45	37.78	37.78
	Fixed deposits (other than those invested for the purpose of Section 29B of NHB Act, 1987)	-	-	-	-	-	-	-	-
	Liquid Investments	-	-	-	-	-	-	-	-
	HQLA Investments	554.36	532.93	445.57	436.23	400.62	372.87	451.39	441.53
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	87.73	100.89	2.99	3.44	12.06	13.87	72.79	83.71
4	Secured wholesale funding	559.60	643.54	414.80	477.02	327.12	376.18	376.25	432.69
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	78.06	89.77	80.71	92.82	78.60	90.39	77.98	89.67
7	Other contingent funding obligations	569.63	655.08	479.97	551.97	391.11	449.78	503.21	578.69
8	Total Cash outflows	1,295.02	1,489.28	978.47	1,125.25	808.89	930.22	1,030.23	1,184.76
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	324.40	243.30	309.43	232.08	298.71	224.04	305.39	229.04
11	Other cash inflows	1,505.29	1,128.97	1,694.31	1,270.73	878.95	659.21	694.97	521.23
12	Total Cash Inflows	1,829.69	1,372.27	2,003.74	1,502.81	1,177.66	883.25	1,000.36	750.27
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	Total HQLA		569.91		457.16		399.31		479.31
14	Total Net Cash Outflows		372.32		281.31		232.56		434.50
15	Liquidity Coverage Ratio(%)		153.07%		162.51%		171.71%		110.31%

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores except otherwise stated)

Sr. No.	Particulars	As at March 31, 2024		As at December 31, 2023		As at September 30, 2023		As at June 30, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Total High Quality Liquid Assets (HQLA)	622.19	600.21	755.46	720.01	1,007.78	985.60	669.74	657.02
	Cash and Bank Balance	51.11	51.11	46.09	46.09	29.51	29.51	30.16	30.16
	Fixed deposits (other than those invested for the purpose of Section 29B of NHB Act, 1987)	-	-	-	-	-	-	-	-
	Liquid Investments	-	-	0.86	0.86	0.37	0.37	-	-
	HQLA Investments	571.08	549.10	708.51	673.05	977.90	955.72	639.58	626.86
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	2.19	2.52	2.92	3.35	11.18	12.85	16.90	19.44
4	Secured wholesale funding	346.46	398.43	321.77	370.04	405.91	466.80	389.64	448.09
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	124.29	142.93	91.03	104.68	78.79	90.60	50.66	58.26
7	Other contingent funding obligations	214.17	246.29	453.77	521.84	375.46	431.78	319.56	367.49
8	Total Cash outflows	687.11	790.17	869.49	999.91	871.34	1,002.03	776.76	893.28
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	295.25	221.44	271.72	203.79	260.05	195.04	249.48	187.11
11	Other cash inflows	225.93	169.45	411.04	308.28	748.25	561.19	553.20	414.90
12	Total Cash Inflows	521.18	390.89	682.76	512.07	1,008.30	756.23	802.68	602.01
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	Total HQLA		600.21		720.01		985.60		657.02
14	Total Net Cash Outflows		399.28		487.84		250.51		291.27
15	Liquidity Coverage Ratio(%)		150.32%		147.59%		393.44%		225.57%

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

Qualitative disclosures of Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. The objective of the LCR is to promote an environment wherein balance sheet carry a strong liquidity for short term cash flow requirements. To ensure strong liquidity HFCs are required to maintain adequate pool of unencumbered high-quality liquid assets (HQLA) which can be easily converted into cash to meet their stressed liquidity needs for 30 calendar days. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next 30 calendar days. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) expected outflows from credit facilities contracted with customers and (3) other expected or contracted cash outflows. Inflows comprise of: (1) expected receipt from all performing loans and other receivables, (2) liquid investment which are unencumbered and have not been considered as part of HQLA and (3) CC/OD/ Committed credit line from Banks and parent company.

For the purpose of HQLA, the Company considers: (1) Unencumbered Government Securities, (2) Cash and Bank Balances, (3) Corporate bonds rated AA- or above not issued by a bank/financial institution/ NBFC or any of its any affiliated entities, (4) Commercial Papers rated AA- or above not issued by a bank/PD/financial institution or any of its any affiliated entities.

The LCR is computed by dividing the stock of HQLA by its total net stressed cash outflows over next 30 days. LCR guidelines have become effective from December 01, 2021, requiring HFCs to maintain minimum LCR of 50%, LCR is gradually required to be increased to 100% by December 01, 2025. HFCs are required to maintain LCR of 85% as on March 31, 2025.

43D. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021, as amended

i. Details of loans transferred/acquired through assignment in respect of loans not in default

During the year ended March 31, 2025

Particulars	Transferred	Acquired
Count of loan assigned	25,345	-
Amount of loan assigned (₹ in crores)	3,085.28	-
Retention of beneficial economic interest (MRR)	11%	-
Weighted average maturity [Residual Maturity] (Months)	176.37	-
Weighted average holding period (Months)	10.80	-
Coverage of tangible security	100%	-
Rating-wise distribution of rated loans	Unrated	-

During the year ended March 31, 2024

Particulars	Transferred	Acquired
Count of loan assigned	17,024	-
Amount of loan assigned (₹ in crores)	2,485.19	-
Retention of beneficial economic interest (MRR)	10%	-
Weighted average maturity [Residual Maturity] (Months)	207.65	-
Weighted average holding period (Months)	13.44	-
Coverage of tangible security	100%	-
Rating-wise distribution of rated loans	Unrated	-

ii. Details of stressed loans transferred:

During the year ended March 31, 2025

Particulars	To ARC's	
	NPA*	SMA
Number of accounts	573.00	-
Aggregate principal outstanding of loans transferred (₹ in Crores)	61.12	-
Weighted average residual tenor of the loans transferred (in years)	13.00	-
Net book value of loans transferred (at the time of transfer) (₹ in Crores)	45.32	-
Aggregate consideration (₹ in Crores)	33.62	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-

* Including write off loan amounting to ₹ 2.72 crores



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The ARC transaction was structured as a full cash sale, with no Security Reciepts (SR) issued.

During the year ended March 31, 2024 : The Company has not transferred any stressed loans during the year ended March 31, 2024.

iii. The Company has not acquired any Stressed loans or Special Mention Account, during the year ended March 31, 2025 and March 31, 2024.

43 E. Annex III Schedule to the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities side				
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	3,840.17	-	3,380.40	-
: Unsecured	839.00	-	1,037.38	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	13,819.65	-	12,767.80	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	392.55	-	232.64	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
Securitisation Liability	482.92	-	145.28	-
Cash credit / Overdraft from Banks	200.00	-	120.11	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side				
	Amount outstanding		Amount outstanding	
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
(a) Secured		26,115.23		23,505.36
(b) Unsecured		2.13		6.12
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		-		-

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
5 Break-up of Investments				
Current Investments				
1 Quoted				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(iii) Debentures and Bonds	2.52	-	6.30	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others (Certificate of Deposits and Commercial Papers)	-	-	99.35	-
2 Unquoted				
(i) Shares	-	-	-	-
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others (investment in units of AIFs)	-	-	-	-
Long Term investments				
1 Quoted				
(i) Share	-	-	-	-
(a) Equity	25.00	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	50.98	-	243.91	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	209.33	-	50.89	-
(v) Others (please specify)	-	-	-	-
2 Unquoted				
(i) Shares	-	-	-	-
(a) Equity	20.05	-	0.05	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	62.50	-	74.93	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	5.09	-	115.70	-

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

(₹ in Crores)

Category	As at March 31, 2025			As at March 31, 2024		
	Amount net of provisions			Amount net of provisions		
	Secured	Secured	Total	Secured	Unsecured	Total
1 Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2 Other than related parties	25,682.33	2.13	25,684.46	23,134.35	6.12	23,140.48
Total	25,682.33	2.13	25,684.46	23,134.35	6.12	23,140.48



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

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

Category	As at March 31, 2025		As at March 31, 2024	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Market Value / Break up or fair value or NAV
1 Related Parties				
(a) Subsidiaries	15.82	20.05	13.74	0.05
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2 Other than related parties	355.43	355.43	583.18	582.08
Total	371.25	375.48	596.92	582.13

8 Other information

Particulars	As at March 31, 2025	As at March 31, 2024
	Amount	Amount
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	457.74	340.91
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	310.51	233.62
(iii) Assets acquired in satisfaction of debt (Note)	-	-

Note:

- The above figure includes cases classified as non-performing assets basis circular issued by Reserve Bank of India, no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021.

44. Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 as amended from time to time.

The below mentioned notes have been prepared as per Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 ("IND AS").

44.1. Public disclosure on liquidity risk:

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

Year	No. of significant counterparties*	Amount (₹ in crores)*	% of Total Deposits	% of Total Liabilities**
March 31, 2025	18	16,484.22	NA	79.02%
March 31, 2024	15	13,933.13	NA	73.38%

Note :

*The above amount does not include borrowings on account of securitisation transaction.

**Total Liabilities has been computed as Total Equity and Liabilities less Equity share capital less Other Equity;

(ii) Top 20 large deposits (amount in ₹ Millions and % of total deposits) – Not Applicable

(iii) Top 10 borrowings

Year	Amount (₹ in crores)*	% of Total Borrowings
March 31, 2025	14,180.42	72.44%
March 31, 2024	12,652.10	71.55%

*Note: The above amount does not include borrowings on account of securitisation transaction.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(iv) Funding Concentration based on significant instrument / product

Name of the Product	March 31, 2025		March 31, 2024	
	Amount (₹ in crores)	% of Total Liabilities*	Amount (₹ in crores)	% of Total Liabilities*
Non Convertible Debentures	4,679.16	22.43%	4,417.78	23.27%
Term Loans	13,819.65	66.24%	12,767.80	67.25%
Securitisation	482.92	2.31%	145.28	0.77%
Cash Credit / Overdraft Facilities	200.00	0.96%	120.11	0.63%
Commercial papers	392.55	1.88%	232.64	1.23%

*Note : Total Liabilities has been computed as Total Equity and Liabilities less Equity share capital less Other Equity

Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(v) Stock Ratios

Stock Ratio	March 31, 2025	March 31, 2024
Commercial papers as a % of total public funds	2.01%	1.32%
Commercial papers as a % of total liabilities	1.88%	1.23%
Commercial papers as a % of total assets	1.38%	0.91%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
Other short-term liabilities as a % of total public funds	26.09%	25.83%
Other short-term liabilities as a % of total liabilities	24.48%	24.06%
Other short-term liabilities as a % of total assets	18.02%	17.96%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board.

ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time.

The Company also manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

44.2. Disclosure on Principal business criteria

Particulars	March 31, 2025	March 31, 2024
Total Housing Loans (%)*	65.43%	66.03%
Individual Housing Loans (%)*	63.11%	63.04%

*% of total assets netted of intangible assets and grossed up by ECL.

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

44.3. Other Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

I) Capital

(₹ in Crores except otherwise stated)

Particulars	March 31, 2025	March 31, 2024
(i) CRAR %	47.15	42.84
(ii) CRAR - Tier I Capital (%)	43.55	37.62
(iii) CRAR - Tier II Capital (%)	3.60	5.22
(iv) Amount of subordinated debt raised as Tier- II Capital	469.49	732.70
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

II) Reserve fund u/s 29C of NHB Act, 1987

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory Reserve U/s 29C of the NHB Act, 1987	154.57	102.06
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	611.90	459.01
c) Total	766.47	561.07
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred U/s 29C of the NHB Act, 1987	55.86	52.51
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	144.14	152.89
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 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 NHB Act, 1987	210.43	154.57
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	756.04	611.90
c) Total	966.47	766.47

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

III) Investments

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
A) Value of Investments		
(i) Gross Value of Investments		
(a) In India*	379.13	585.88
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	1.63	1.59
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	377.50	584.29
(b) Outside India	-	-
B) Movement of provisions held towards depreciation on investments		
(i) Opening balance	1.59	0.46
(ii) Add: Provisions made during the year	0.04	1.13
(iii) Less: Write-off / Write back of excess provisions during the year	-	-
(iv) Closing balance	1.63	1.59

* Includes investment property of ₹ 2.75 Crores (as at March 31, 2024 ₹ 2.75 Crores.)

IV) Derivatives

a. Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements/ forward contracts	2,124.67	1,505.56
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	The Company has entered into derivatives contract with the Schedule Commercial Banks.	
(v) The fair value of the swap book/ forward contracts*	16.23	2.61

* Fair value as at March 31, 2025 and March 31, 2024 represents Derivative Liabilities.

b. Exchange Traded Interest Rate (IR) Derivative

(₹ in Crores)

Particulars	For the year ended March 31, 2025
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2025 (instrument wise)	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-

(₹ in Crores)

Particulars	For the year ended March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument- wise)	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2024 (instrument-wise)	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

c. Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk.

To manage these risks, the Company has board approved policy framework for derivatives, consistent with its general corporate responsibility for corporate governance. The management of derivative activity would be further integrated into the company's overall risk management system.

The rationale for hedging risk in case of the company is to reduce potential costs of financial distress by making the company less vulnerable to adverse market movements in interest rate, exchange rate etc. and also create a stable planning environment to avoid huge fluctuations on the financials of the company due to market movements.

Objectives of the policy

- Identify and manage the company's debt and related interest rate risk
- Reduce overall interest cost of the company
- Management of foreign currency positions, derivative transactions and related risks
- To evaluate and measure these risks and their sensitivity to operations
- Establish processes for monitoring and control of the risks as per policy
- Effective MIS and regular reporting of positions and risks to the Risk Management Committee

B. Quantitative Disclosure

(₹ in Crores)

Particulars	Currency Derivatives	Interest Rate Derivatives
	For the year ended March 31, 2025	For the year ended March 31, 2025
(i) Derivatives (Notional Principal Amount) for hedging	2,124.67	-
(ii) Marked to Market Positions		
(a) Assets (+)	5.97	-
(b) Liability (-)	(22.20)	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

(₹ in Crores)

Particulars	Currency Derivatives	Interest Rate Derivatives
	For the year ended March 31, 2024	For the year ended March 31, 2024
(i) Derivatives (Notional Principal Amount) for hedging	1,505.56	-
(ii) Marked to Market Positions		
(a) Assets (+)	1.65	-
(b) Liability (-)	(4.26)	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

V) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in Crores)

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Borrowings from Bank	21.48	2.65	33.77	71.81	227.93	544.63	1,156.71	4,138.59	2,928.19	3,236.06	12,361.82
	(18.33)	(10.72)	(49.50)	(45.31)	(386.37)	(603.04)	(1,148.16)	(3,832.40)	(2,935.27)	(2,480.10)	(11,509.20)
Market Borrowing	286.14	-	9.52	497.21	3.12	316.00	306.15	1,351.02	1,390.38	912.18	5,071.72
	(6.94)	(-)	(84.90)	(241.54)	(35.92)	(70.13)	(567.05)	(1,015.16)	(1,715.60)	(913.18)	(4,650.42)
Foreign Currency Liabilities	13.17	-	36.62	41.16	26.14	104.35	208.69	683.47	634.77	392.38	2,140.75
	(-)	(-)	(9.44)	(56.25)	(-)	(67.73)	(135.45)	(490.77)	(341.80)	(422.55)	(1,523.99)
Assets											
Advances*	927.49	257.87	234.33	949.69	475.67	1,418.61	1,734.28	6,964.77	4,527.57	8,194.18	25,684.46
	(121.11)	(113.33)	(576.84)	(414.99)	(433.31)	(950.61)	(1,988.69)	(6,443.56)	(4,299.34)	(7,798.70)	(23,140.48)
Investments	4.92	0.03	1.61	0.12	0.10	3.16	1.30	62.28	50.89	251.07	375.48
	(0.03)	(0.03)	(98.32)	(6.36)	(0.12)	(0.26)	(55.05)	(104.98)	(77.82)	(240.16)	(583.13)
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

* Includes amount lent under CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil).

* Maturity pattern of Advances disclosed above are based on behavioural maturity pattern.

- Computation of ALM is based on Management estimation of future inflows and outflows and is relied upon by auditors.
- Borrowings from Bank includes borrowings from Financial Institutions.
- Foreign Currency Liabilities means borrowings from banks
- Figures in brackets () represents previous year's figures.

VI) Exposure

a) Exposure to Real Estate Market

(₹ in Crores)

Category	March 31, 2025	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;Exposure would also include non-fund based(NFB)limits;	27,229.67	25,494.59
(ii) Commercial Real Estate-		
Lending secured by mortgages on commercial real estate's (office buildings retail space multipurpose commercial premises multi-family residential buildings multi-tenanted commercial premises industrial or warehouse space hotels land acquisition development and construction etc.).Exposure would also include non-fund based(NFB)limits;	916.91	1,244.06
(iii) Investments in Mortgage Backed Securities(MBS) and other securitized exposures-		
a. Residential	5.09	6.20
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank(NHB)and Housing Finance Companies(HFCs)	63.40	75.93
Total Exposure to Real Estate Sector	28,215.07	26,820.78

Exposure includes amount outstanding including principal and interest accrued.

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

- b) **Exposure to Capital Market:** The Company does not have any exposure to Capital Market as on March 31, 2025 and March 31, 2024 as required under Para 3.7.2 of Annexure IV of RBI Circular RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(b) (i) Sectoral exposure

(₹ in Crores)

Sectors	March 31, 2025			March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Agriculture and Allied activities	-	-	-	-	-	-
Industry	-	-	-	-	-	-
Services	-	-	-	-	-	-
Personal Loans						
i. Housing	18,164.14	246.83	1.36%	18,179.38	191.37	1.05%
ii. Non-housing*	9,095.37	210.92	2.32%	7,357.08	149.54	2.03%
Total Personal loans	27,259.51	457.75	1.68%	25,536.46	340.91	1.33%
Others:						
i. Construction Finance	887.06	-	-	1,202.19	-	-
Total	28,146.57	457.75	1.63%	26,738.65	340.91	1.27%

* Non-Housing loan includes loans against properties. The above exposure includes sanction but undisbursed amount and includes, unamortised EIR of Housing and Non-Housing loans.

- c) **Details of financing of parent company products:** The Company does not have any exposure in financing of parent company products
- d) **Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC:** The Company has not exceeded the SGL and GBL Limits.
- e) **Unsecured Advances:** The Company does not have any unsecured advances in the form of rights, licenses, authorisations, etc. that are charged as collateral for the purposes of financing. The Company does not have any unsecured advances other than those mentioned in Note no. 7.
- f) i **Exposure to group companies engaged in real estate business**

(₹ in Crores)

Description	As at March 31, 2025	% of owned fund
Exposure to any single entity in a group engaged in real estate business	-	-
Exposure to all entities in a group engaged in real estate business	-	-

ii. Exposure to group companies engaged in real estate business

(₹ in Crores)

Description	As at March 31, 2024	% of owned fund
Exposure to any single entity in a group engaged in real estate business	-	-
Exposure to all entities in a group engaged in real estate business	-	-

g) Intra group exposures

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of intra-group exposures	7.68	11.85
Total amount of top 20 intra-group exposures	7.68	11.85
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.03%	0.04%

* Note intra-group exposure includes off balance sheet items (i.e. Sanctioned but undisbursed loans).

h) Unhedged foreign currency exposure

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of unhedged foreign currency exposures	-	-

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

44.3A. Related Party Disclosure

(₹ in Crores)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures/ Fellow Subsidiary		Key Management Personnel		Directors		Others**		Total	
Item	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Borrowings														
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	2.09
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	2.09
Advances*														
Outstanding	-	-	-	-	-	-	-	-	-	-	0.31	-	0.31	1.49
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments														
Outstanding	-	-	20.05	0.05	-	-	-	-	-	-	-	-	20.05	0.05
Maximum Outstanding	-	-	20.05	0.05	-	-	-	-	-	-	-	-	20.05	0.05
Other Payables	0.04	5.88	5.51	4.99	-	-	0.57	0.66	1.22	0.49	0.00	0.43	7.34	12.45
Other Receivables	-	-	-	-	-	-	-	-	-	-	12.93	0.04	12.93	0.04
Purchase of fixed/other assets	0.20	0.06	0.00	0.01	-	-	-	-	-	-	0.11	0.03	0.31	0.10
Sale of fixed/other assets	0.20	0.48	0.00	0.03	-	-	-	-	-	-	0.62	0.02	0.82	0.53
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	0.60
Interest received	6.38	21.11	0.46	-	5.51	-	-	-	-	-	-	15.56	6.84	42.18
Others														
Corporate Social Responsibility Expense (CSR)	-	-	-	-	-	-	-	-	-	-	17.71	16.46	17.71	16.46
CSR Unspent amount refund received	-	-	-	-	-	-	-	-	-	-	12.65	3.54	12.65	3.54
Arranger fees Expense/ Loan Sourcing Fee	-	-	15.59	22.74	-	-	-	-	-	-	0.84	0.84	16.43	23.58
Commission/ Brokerage Expense	-	-	-	-	-	-	58.27	22.20	-	-	1.65	0.07	1.65	0.07
Remuneration and Compensation to KMP	-	-	-	-	-	-	-	-	2.18	1.05	-	-	2.18	1.05
Sitting Fees paid to Directors & Commission to Directors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim Dividend Payment	-	115.32	-	-	-	-	-	-	-	-	-	-	-	115.32
ICD/Loan Given	800.00	1,450.00	19.00	-	-	400.00	-	-	-	-	-	-	819.00	3,305.00
ICD/Loan received back	800.00	1,450.00	19.00	-	-	400.00	-	-	-	-	-	-	819.00	3,305.00
Purchase of Investment	-	63.84	-	-	-	-	-	-	-	-	-	-	-	63.84
Sale of Investment	109.50	2.38	-	-	-	-	-	-	-	-	-	-	109.50	2.38
Net Interest Accrued	-	-	-	-	-	-	-	-	-	-	-	0.07	-	0.07
Purchase of Equity Shares	-	-	20.00	-	-	-	-	-	-	-	-	-	20.00	-



Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures/ Fellow Subsidiary		Key Management Personnel		Relatives of Key Management Personnel		Directors		Others**		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Item																
Commission on Corporate Guarantee	3.61	4.93	-	-	-	-	-	-	-	-	-	-	-	-	3.61	4.93
Payment for assignment transactions	27.61	45.04	-	-	-	-	-	-	-	-	-	-	-	-	27.61	45.04
Security deposit paid	-	-	-	-	-	-	-	-	-	-	-	-	0.98	-	-	0.98
Security deposit received back	5.35	6.78	9.54	-	-	-	-	-	-	-	-	-	1.18	-	1.18	-
Other paid	1.21	1.23	0.96	8.59	-	-	-	-	-	-	-	-	7.74	7.88	22.63	23.25
Other received	-	-	-	0.11	-	-	-	-	-	-	-	-	1.38	0.68	3.55	2.02

** Other Group Companies

^ ICDs given and taken back have been shown separately

Corporate Guarantee outstanding as at March 31, 2025 is ₹ 260.33 [as at March 31, 2024 is ₹ 410.32]

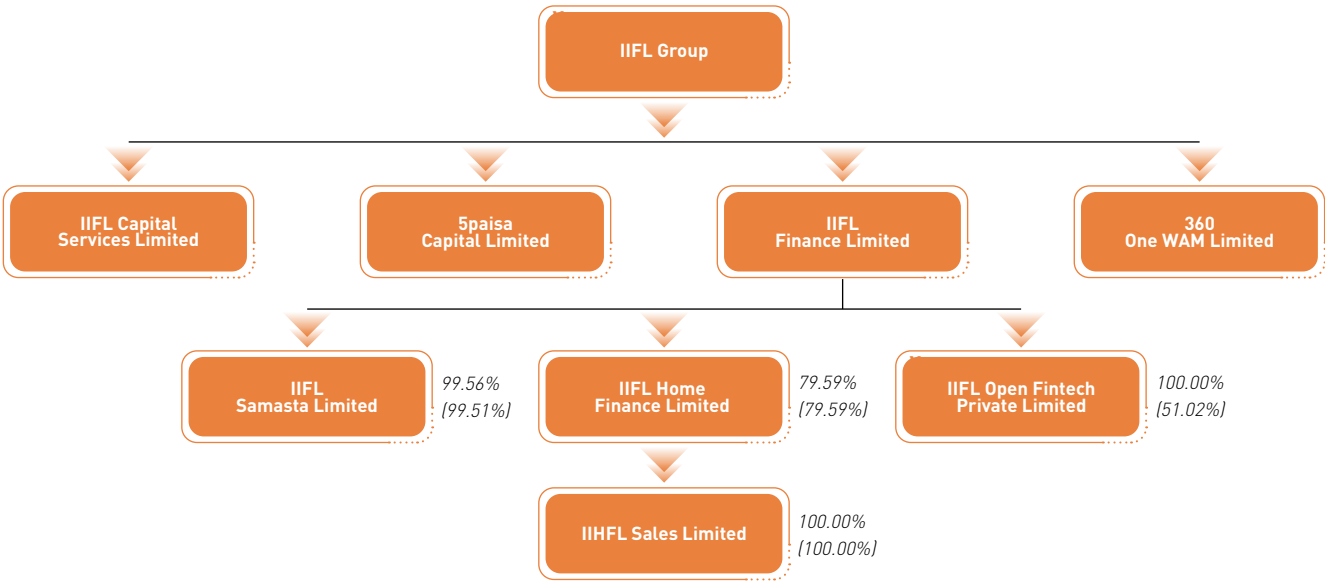
44.3B. Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Name of Related Party	Outstanding as on March 31, 2025	Maximum Outstanding during the year	Outstanding as on March 31, 2024	Maximum Outstanding during the year
5paisa Capital Limited	-	-	-	100.00
IIFL Finance Limited	-	400.00	-	700.00
IIFL Capital Services Limited	-	-	-	250.00
Samasta Microfinance Limited	-	-	-	250.00
IIHFL Sales Limited	-	16.00	-	-

Notes forming part of Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd..)

44.4. Miscellaneous

- I) **Details of registration obtained from other financial sector regulators:** The Company is acting as corporate agent for general insurance business. It has obtained license from Insurance Regulatory and Development Authority of India (IRDA) [Registration Number CA0453].
- II) **Penalty/strictures and adverse comments imposed by NHB or any other regulators:** There are no penalties/strictures or adverse comments imposed during the current and previous year.
- III) **Group Structure as on March 31, 2025:**



Figures in brackets () represents previous year's figures.

IV) Note on Rating assigned by Credit Rating Agencies and migration of rating during the year

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2025

(₹ in Crores)			
Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Stable	13,300.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PPMLD AA/Stable	114.81
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PPMLD AA/Stable	126.52
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Stable	7,557.38
Commercial Paper	CRISIL Limited	CRISIL A1+	5,000.00
Commercial Paper Programme	ICRA Limited	[ICRA]A1+	5,000.00
Non-convertible Debenture Programme	ICRA Limited	[ICRA]AA(Stable)	2,728.75
Subordinated Debt programme	ICRA Limited	[ICRA]AA(Stable)	238.00
Long Term Fund Based Bank Lines Programme	ICRA Limited	[ICRA]AA(Stable)	5,000.00
Long term market linked debenture programme	ICRA Limited	PP-MLD[ICRA]AA(Stable)	73.70
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+/Negative	155.00
NCDs	Brickwork Ratings	BWR AA+/Negative	5,000.00
NCDs	India Ratings	IND AA/Stable	3,250.00



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

b) Details of Migration of Ratings during the year ended March 31, 2025: During the year under review there were no migrations of ratings during the year ended March 31, 2025.

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2024

(₹ in Crores)

Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	13,300.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	185.00
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	126.52
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	3,587.38
Commercial Paper	CRISIL Limited	CRISIL A1+	5,000.00
Commercial Paper Programme	ICRA Limited	[ICRA]A1+	5,000.00
Non-convertible Debenture Programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	2,743.75
Subordinated Debt programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	238.00
Long Term Fund Based Bank Lines Programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	5,000.00
Long term market linked debenture programme	ICRA Limited	PP-MLD[ICRA]AA; Placed on 'Rating Watch with Negative Implications	200.00
Non-Convertible Debentures (NCD)	CARE Ratings	CARE AA (RWD) Placed on Rating Watch with Developing Implications	17.00
Secured NCD	Brickwork Ratings	BWR AA+/Negative	15.00
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+/Negative	270.00
NCDs	Brickwork Ratings	BWR AA+/Negative	5,000.00

b) Details of Migration of Ratings during the during the year ended March 31, 2024:

(₹ in Crores)

Instrument	Name of the Rating Agency	Amount Rated	Rating in 2023-24	Rating in 2022-23
Total Bank Loan Facilities Rated	CRISIL Limited	13,300.00	CRISIL AA/Positive	CRISIL AA/Stable
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	185.00	CRISIL PP-MLD AA/Positive	CRISIL PPMLD AA/Stable
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	126.52	CRISIL PP-MLD AA/Positive	CRISIL PPMLD AA/Stable
Non Convertible Debentures	CRISIL Limited	3,587.38	CRISIL AA/Positive	CRISIL AA/Stable

IV) Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no impact in the Statement of profit and loss on account of prior period items on the current year profit and loss. Refer Material Accounting Policies Note 3.

V) Revenue Recognition : No revenue recognition has been postponed pending the resolution of significant uncertainties.

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

VI) Applicability of Consolidation of Financial Statements: Refer to the Consolidated Financial Statements for the relevant disclosures.

44.5. Additional Disclosures

I) Details on Provisions and Contingencies

a) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

(₹ in Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended March 31, 2025	For the year ended March 31, 2024
Provisions for depreciation on Investment*	0.04	1.13
Provision towards NPA**	40.02	[7.33]
Provision made towards Income tax	284.69	301.37
Other Provision and Contingencies***	5.01	10.70
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	21.95	(122.15)
CRE – Residential	(5.02)	(41.50)
CRE – Others	(0.15)	[1.65]
Others	27.12	(79.00)

*Includes depreciation on Investment Property and Impairment loss allowance on investment in debt securities.

** Includes provision towards Trade Receivables of ₹ 0.10 Crores (P.Y. ₹ 0.03 Crores).

***Includes provisions for employee benefits and impairment loss allowance on interest strip.

b) Break up of Loans and Advances and Provisions thereon

(₹ in Crores)

Breakup of Loans and Advances and Provisions thereon	Housing		Non-Housing	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard Assets				
a) Total Outstanding Amount	18,577.52	16,808.72	6,470.58	6,361.85
b) Provisions made	137.33	144.08	148.33	119.63
Sub-Standard Assets				
a) Total Outstanding Amount	183.33	112.63	181.52	107.76
b) Provisions made	60.51	34.91	52.86	30.97
Doubtful Assets - Category I				
a) Total Outstanding Amount	48.28	69.24	21.50	34.18
b) Provisions made	16.34	23.65	6.99	10.30
Doubtful Assets - Category II				
a) Total Outstanding Amount	14.78	9.39	6.83	7.09
b) Provisions made	6.24	3.88	2.79	2.95
Doubtful Assets - Category III				
a) Total Outstanding Amount	0.65	0.45	0.85	0.18
b) Provisions made	0.65	0.45	0.85	0.18
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	18,824.56	17,000.43	6,681.28	6,511.06
b) Provisions Amount	221.07	206.97	211.82	164.03



Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

II). Divergence in the asset classification and provisioning:

In terms of the RBI circular no. DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022, NBFCs are required to disclose the divergences in asset classification and provisioning consequent to NHB's (in case of HFCs) annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by NHB exceed 5% of the reported net profits before tax and impairment loss on financial instruments or (b) the additional gross NPAs identified by NHB exceed 5% of the published reported gross NPAs for the reference period, or both. Based on the conditions relating to applicable limits mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to NHB's supervisory process as at March 31, 2025 and March 31, 2024.

III) Details on draw down from reserves

The disclosure pertaining to draw down from reserves has been disclosed shown in Other Equity (Refer Note 23).

IV) Concentration of Public Deposits, Advances, Exposures and NPAs

- a) **Concentration of Public Deposits:** The Company, being a non-deposit taking housing finance company, does not hold any deposits from public.

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total deposits of twenty largest depositors	-	-
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	-	-

b) Concentration of Loans & Advances

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans & Advances to twenty largest borrowers*	995.95	538.13
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	3.81%	2.29%

*Includes amount lent under CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil).

c) Concentration of all Exposure (including off-balance sheet exposure)

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / customers	1,324.57	1,128.78
Percentage of Exposures to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	4.55%	4.13%

Note: Exposure includes amount outstanding including principal, interest accrued, unamortised processing fee, modification gain loss and sanctioned but undisbursed.

d) Concentration of NPAs

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top ten NPA accounts	28.63	16.57

Notes

forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

e) Sector wise NPAs - Percentage of NPAs to Total Advances in that sector

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Housing Loans		
1. Individuals	1.36%	1.18%
2. Builders/Project Loans	-	-
3. Corporates	4.20%	3.86%
4. Others (specify)	-	-
B. Non-Housing Loans		
1. Individuals	3.52%	2.38%
2. Builders/Project Loans	0.02%	-
3. Corporates	0.42%	2.13%
4. Others (specify)	-	-

Note:

- The percentage shown above have been computed basis the NPA amount of the category divided by the outstanding of the respective category.
- Non- housing loans includes interest accrued and unamortised EIR of Housing and Non-Housing loans .
- The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

V) Movement of NPAs

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%)	1.22%	1.00%
(II) Movement of NPAs (Gross)		
a. Opening balance	340.91	386.09
b. Additions during the year	362.53	221.75
c. Reductions during the year	(245.70)	(266.93)
d. Closing balance	457.74	340.91
(III) Movement of Net NPAs		
a. Opening balance	233.62	277.90
b. Additions during the year	245.57	146.52
c. Reductions during the year	(168.68)	(190.80)
d. Closing balance	310.51	233.62
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a. Opening balance	107.29	108.19
b. Provisions made during the year	116.96	75.23
c. Write-off/write-back of excess provisions	(77.02)	(76.13)
d. Closing balance	147.23	107.29

VI) Overseas Assets -

The Company does not have any assets outside the country.

VII) Off-balance Sheet SPVs sponsored which are required to be consolidated as per accounting Norms -

The Company does not have any Off-Balance Sheet SPVs sponsored which are required to be consolidated as per accounting Norms.

VIII) Percentage of outstanding loans granted against the collateral gold jewellery to the outstanding total assets is ₹ Nil. (March 31, 2024 ₹ Nil.)

IX) Loans to Directors, Senior Officers and Relatives of Directors :

The Company has not granted any loans to Directors and Senior Managerial personnels including the relatives during the current or previous year.

X) Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries :

The company have operations only in India and does not have any joint venture partners with regard to joint ventures and overseas subsidiaries.



Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

44.6. Disclosure of Complaints

1) Summary information on complaints received by the Company from customers:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Complaints received by the Company from its customers:		
1. Number of complaints pending at beginning of the year	5	25
2. Number of complaints received during the year	539	782
3. Number of complaints disposed during the year	541	802
3.1 of which, number of complaints rejected by the HFC	NA	NA
4. Number of complaints pending at the end of the year	3	5

2) Top five grounds of complaints received by the Company from customers:

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended March 31, 2025					
On account of Credit Linked Subsidy Scheme	-	71	-1%	-	-
On account of ROI related	-	100	-16%	-	-
On account of Refund / repayment related	-	57	-39%	-	-
On account of Disbursement	-	50	-18%	-	-
On account of Foreclosure	-	31	-55%	-	-
Others	5	230	-38%	3	-
Total	5	539		3	-
For the year ended March 31, 2024					
On account of Credit Linked Subsidy Scheme	2	72	-60%	-	-
On account of ROI related	1	119	42%	-	-
On account of Refund related	4	93	12%	-	-
On account of Disbursement	5	61	0%	-	-
On account of Foreclosure	8	69	15%	-	-
Others	5	368	47%	5	-
Total	25	782		5	-

Disclosure on complaints received from Office of Ombudsman not given as the Company, being a HFC, is not included under The Reserve Bank - Integrated Ombudsman Scheme, 2021.

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

44.7. Breach of covenant: There are no instances of breach of covenants for loan availed or debt securities issued as at March 31, 2025 and March 31, 2024.

44.8. Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016: There were 3 cases (March 31, 2024 4 Cases) of frauds noticed during the year where amount involved was ₹ 0.87 crores (Previous Year ₹ 0.79 crores) which are reported on April 18, 2025 to NHB.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

44.9. Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021:

Securitisation transactions under SPV Structure sponsored by HFC

(₹ in Crores unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
1. Number of SPVs holding assets for securitisation transactions originated by the originator (in numbers)	6	3
2. Total amount of securitised assets as per books of the SPVs	501.45	144.69
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	-	-
a) Off-balance sheet exposures		
• First loss	-	-
• Others	-	-
b) On-balance sheet exposures		
• First loss - Cash collateral	75.54	79.95
• Others	-	-
4. Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	-
• Others	-	-
ii) Exposure to third party securitisations		
• First loss	-	-
• Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	-
• Others	25.11	-
ii) Exposure to third party securitisations		
• First loss	-	-
• Others	-	-
5. Sale consideration received during the year for the securitised assets	384.29	-
Gain/loss on sale on account of securitisation	-	-
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing etc.	-	-
7. Performance of facility provided.		
Credit Enhancement		
(a) Amount paid	-	-
(b) Repayment received (net)*	4.41	-
(c) Outstanding amount	75.54	79.95
8. Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class	1.13%	1.16%
9. Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class.	-	-
10. Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

* This amount consists of reduction of Fixed Deposits on account of old pool less new additions made on account of new deals entered during the year.

44.10. Events after reporting date: There have been no significant events after the reporting date that require adjustment in these financial statements.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 45: Other Disclosures:

- A. Figures for the previous year have been re-grouped / reclassified wherever necessary, to confirm to current year's classification. The details for regrouping are as follows:
- | Regrouped to | Regrouped from | Amount | Reason |
|-----------------------------|---|--------|---------------------|
| Other financial liabilities | Trade payables - total outstanding dues of creditors other than micro enterprises and small enterprises | 1.91 | Better Presentation |
- B. The company has used 4 accounting softwares in which the audit trail (edit log) feature is enabled and operated throughout the year. Further, the company has not noted any instances of changes in the audit trail feature during the year. Additionally, the audit trail has been retained during the year.
- C. These financial statements were authorised for issue by the Company's Board of Directors on May 06, 2025

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra

Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants

ICAI Firm registration number:
004207S

P Menakshi Sundaram

Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman

Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Ajay Jaiswal

Company Secretary
(F6327)
Place: Mumbai

Monu Ratra

Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Sumit Jhunjunwala

Chief Financial Officer
Place: Mumbai

Consolidated
Financial
Statements





Independent Auditor’s Report

To the Members of **IIFL Home Finance Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of IIFL Home Finance Limited (hereinafter referred to as “the Holding Company”), its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements’ section

A. Key Audit Matters for Holding Company

Key audit matters	How our audit addressed the key audit matter
Impairment of loans as at the balance sheet date (including determination of expected credit losses) (as described in note 3 (j) of the consolidated financial statements) The Company provide for impairment of its loans using the Expected Credit Loss (“ECL”) model. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions and other factors which could impact the credit quality of the Company’s loans. In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative factors for ‘significant increase in credit risk’ (“SICR”) and ‘default’.	 Our audit procedures included the following: - Considered the Company’s accounting policies for impairment of loans and assessed compliance of the policies with Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines, (“the RBI Guidelines”). - Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation.

of our report. We are independent of the Group 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 Act 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 audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by one of joint auditors i.e. S.R. Batliboi & Associates LLP, as reported by them in their audit reports furnished to one of joint auditors by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor’s Report (Contd..)

Key audit matters	How our audit addressed the key audit matter
 b) Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default, loss given default and exposure at default ; c) Determining effect of less frequent past events on future probability of default. d) Determining macro-economic factors impacting credit quality of loans. In view of the high degree of management’s judgement involved in estimation of ECL, impairment of loans as at the balance sheet date (including expected credit losses) is a key audit matter.	 - Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage or 3 (i.e. the default in repayment is more than 90 days). - Tested the arithmetical accuracy of computation of ECL provision performed by the Company. - Assessed the adequacy of disclosures included in the consolidated financial statements with the relevant requirements of Ind AS 107 and 109.

B. Key Audit Matter for subsidiary company – IIHFL Sales Limited – No key audit matters reported by the subsidiary company’s auditor for the year ended March 31, 2025.

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Director report, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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 Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Those charged with governance of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a



Independent Auditor's Report (Contd..)

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements

of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The accompanying consolidated financial statements includes the audited financial statements and other financial information, in respect of 1 subsidiary, whose financial statements include total assets of ₹ 48.98 Cr as at March 31, 2025, total revenues of ₹25.66 Cr, total net profit/(loss) after tax of ₹ (18.07) Cr, total comprehensive income/(loss) of ₹ (17.91) Cr, for the year ended March 31, 2025 and net cash inflows/(outflows) of ₹ (6.02) Cr for the year ended March 31, 2025, as considered in the consolidated financial statements which have been audited by one of the joint auditors of the Company i.e. Sundaram & Srinivasan and whose report on the financial statements of this entity have been furnished to other Joint auditors i.e. S.R. Batliboi & Associates LLP by the Management and their opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of one of the joint auditors i.e. Sundaram & Srinivasan.

Independent Auditor's Report (Contd..)

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and report of the above auditor.

The comparative financial information of the Group for the corresponding year ended March 31, 2024, included in the consolidated financial statements, were audited by one of the joint auditors S.R. Batliboi & Associates LLP jointly with Suresh Surana & Associates LLP (predecessor joint auditors) who expressed an unmodified opinion on those consolidated financial information on May 6, 2024.

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 Act, based on our audit and on the consideration of report of the other joint auditors on separate financial statements and the other financial information of the subsidiary company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xii) of the Order.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other joint auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
 - We/the other joint auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other joint auditors;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other joint auditors on separate financial statements and the other financial information of such subsidiary company and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;
- In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to the its subsidiary incorporated in India for the year ended March 31, 2025;
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter' paragraph:
 - The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 5 to the consolidated financial statements in respect of such items as it relates to the Group;



Independent Auditor’s Report (Contd..)

- iii.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary incorporated in India during the year ended March 31, 2025.
- iv.

a)

The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 38A.(h) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary 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 respective Holding Company or any of such subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b)

The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 38A.(h) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any persons or entities, including
- c)

foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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
- c)

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v)

No dividend has been declared or paid during the year by the Holding Company and its subsidiary.
- vi)

Based on our examination which included test checks and that performed by the respective auditors of the subsidiary company and as described in the Note 43C, the Holding Company and its subsidiary have used 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 audit we and respective auditors of the above referred subsidiary did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and the above referred subsidiary, as per the statutory requirements for record retention.

Annexure 1 to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of IIFL Home Finance Limited

Re: IIFL Home Finance Limited

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	IIFL Home Finance Limited	U65993MH2006PLC166475	Holding Company	(iii)(c), (vii) (a), (i)(c)
2	IIFL Sales Limited	U74999MH2021PLC368361	Subsidiary Company	vii (a), vii (b), xvii

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**
Partner
Membership No.: 094533
UDIN: 25094533BMLXIF1448
Place: Mumbai
Date: May 6, 2025

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm registration number: 004207S

P Menakshi Sundaram
Partner
Membership No.: 217914
UDIN: 25217914BMKYKS2487
Place: Mumbai
Date: May 6, 2025

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**
Partner
Membership No.: 094533
UDIN: 25094533BMLXIF1448
Place: Mumbai
Date: May 6, 2025

For **Sundaram & Srinivasan**
Chartered Accountants
ICAI Firm registration number: 004207S

P Menakshi Sundaram
Partner
Membership No.: 217914
UDIN: 25217914BMKYKS2487
Place: Mumbai
Date: May 6, 2025



Annexure to the Independent Auditor's Report of Even Date on The Consolidated Financial Statements of IIFL Home Finance Limted

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

In conjunction with our audit of the consolidated financial statements of IIFL Home Finance Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IIFL Home Finance Limted (Contd..)

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **S.R. Battiboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Amit Kabra**

Partner

Membership No.: 094533

UDIN: 25094533BMLXIF1448

Place: Mumbai

Date: May 6, 2025

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sundaram & Srinivasan**

Chartered Accountants

ICAI Firm registration number: 004207S

P Menakshi Sundaram

Partner

Membership No.: 217914

UDIN: 25217914BMKYKS2487

Place: Mumbai

Date: May 6, 2025



Consolidated Balance Sheet

as at March 31, 2025

(₹ in Crores)				
Sr. no.	Particulars	Note no.	As at March 31, 2025	As at March 31, 2024
ASSETS				
(1)	Financial Assets			
	(a) Cash and cash equivalents	4A	879.12	781.71
	(b) Bank balance other than (a) above	4B	598.57	299.23
	(c) Receivables	6		
	(i) Trade receivables		54.58	48.18
	(d) Loans	7	25,657.30	23,114.10
	(e) Investments	8	355.43	582.08
	(f) Other financial assets	9	610.01	488.50
(2)	Non-financial Assets			
	(a) Current tax assets (net)		63.39	20.56
	(b) Deferred tax assets (net)	10	15.25	35.95
	(c) Investment property	11A	2.02	2.16
	(d) Property, plant and equipment	11B	6.36	7.61
	(e) Right of use assets	12	96.62	57.52
	(f) Other intangible assets	13A	0.65	0.56
	(g) Intangible asset under development	13B	0.10	0.34
	(h) Other non-financial assets	14	12.17	8.22
	Total Assets		28,351.57	25,446.72
LIABILITIES AND EQUITY				
(1)	Financial Liabilities			
	(a) Derivative financial instruments	5	16.23	2.61
	(b) Payables	15		
	(i) Trade payables			
	(ii) total outstanding dues of micro enterprises and small enterprises		8.11	3.12
	(iii) total outstanding dues of creditors other than micro enterprises and small enterprises		53.70	65.65
	(c) Lease liabilities	12A	102.81	63.26
	(d) Debt securities	16	4,232.72	3,613.04
	(e) Borrowings (other than Debt securities)	17	14,502.57	13,033.18
	(f) Subordinated liabilities	18	839.00	1,037.38
	(g) Other financial liabilities	19	965.86	1,054.50
(2)	Non-financial liabilities			
	(a) Current tax liabilities (net)		-	4.85
	(b) Provisions	20	33.23	31.04
	(c) Other non-financial liabilities	21	134.89	100.04
(3)	Equity			
	(a) Equity share capital	22	26.34	26.34
	(b) Other equity	23	7,436.11	6,411.71
	Total Liabilities and Equity		28,351.57	25,446.72

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm registration number:
004207S

P Menakshi Sundaram
Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Sumit Jhunjhunwala
Chief Financial Officer
Place: Mumbai

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Crores except otherwise stated)				
Sr. no.	Particulars	Note no.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations				
	(i) Interest income	24	3,286.78	2,922.29
	(ii) Fees and commission income	25	285.82	194.26
	(iii) Net gain on fair value changes	26	15.38	4.47
	(iv) Net gain on derecognition of financial instruments under FVTOCI	27	118.80	-
(II)	Total Revenue from operations		3,706.78	3,121.02
(III)	Other Income	28	8.66	195.74
(III)	Total Income (I+II)		3,715.44	3,316.76
Expenses				
	(i) Finance costs	29	1,512.45	1,330.36
	(ii) Net loss on derecognition of financial instruments under FVTOCI	27	-	1.03
	(iii) Impairment on financial instruments	30	274.36	116.64
	(iv) Employee benefits expenses	31	456.93	368.45
	(v) Depreciation, amortization and impairment	11A-13B	31.60	26.46
	(vi) Other expenses	32	185.09	159.47
(IV)	Total Expenses		2,460.43	2,002.41
(V)	Profit Before Tax (III - IV)		1,255.01	1,314.35
Tax Expense:				
	(i) Current tax	33	261.55	273.26
	(ii) Deferred tax	10	24.07	24.62
	(iii) Adjustment of tax relating to earlier years	33	(7.11)	(0.08)
(VI)	Total Tax Expense		278.51	297.80
(VII)	Profit for the year (V-VI)		976.50	1,016.55
(VIII)	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement gain / loss of defined benefit liabilities/(assets)		(0.92)	(0.81)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.23	0.20
	Subtotal (A)		(0.69)	(0.61)
B	(i) Items that will be reclassified to profit or loss			
	(a) Net movement on effective portion of cash flow hedge		(6.45)	(7.60)
	(b) Fair value of loans carried at fair value through other comprehensive income		(6.01)	(1.59)
	(iii) Income tax relating to items that will be reclassified to profit or loss		3.14	2.31
	Subtotal (B)		(9.32)	(6.88)
	Other Comprehensive Income (A+B)		(10.01)	(7.49)
(IX)	Total Comprehensive Income for the year (VII + VIII)		966.48	1,009.06
Profit for the year attributable to:				
	Shareholders of the company		976.50	1,016.55
	Non controlling interest		-	-
Other Comprehensive Income for the year attributable to:				
	Shareholders of the company		(10.01)	(7.49)
	Non controlling interest		-	-
Total Comprehensive Income for the year attributable to:				
	Shareholders of the company		966.48	1,009.06
	Non controlling interest		-	-
(X)	Earnings per Equity Share of face value of ₹ 10 each	34		
	Basic (₹)		370.66	385.87
	Diluted (₹)		366.15	384.64

The accompanying notes are an integral part of the consolidated financial statements

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants
ICAI Firm registration number:
004207S

P Menakshi Sundaram
Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Sumit Jhunjhunwala
Chief Financial Officer
Place: Mumbai



Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash Flows from Operating Activities		
Profit before tax	1,255.01	1,314.35
Adjustments for:		
Depreciation and amortization	31.60	26.46
Impairment on financial instruments - loans	61.86	(128.48)
Finance costs	1,512.45	1,330.36
Interest on Loans	(3,283.02)	(2,917.05)
Net (gain)/loss on derecognition of financial instruments	(115.93)	1.03
Net (gain)/loss on fair value changes	(15.38)	(25.76)
Net (gain)/loss on sale of assets	(0.04)	0.03
Interest paid on borrowings, debt securities and subordinate debts	(1,629.66)	(1,261.03)
(Gain)/loss on termination of lease	(1.11)	(0.96)
Interest received on loans	3,204.64	2,861.38
Employee share based payment expenses	57.92	19.77
Operating Profit before Working Capital changes	1,078.34	1,220.10
Changes in Working Capital:		
(Increase)/decrease in Other Financial assets	(5.84)	(35.39)
(Increase)/decrease in Trade Receivables	(12.49)	3.19
(Increase)/decrease in Other Non Financial assets	(4.10)	(2.63)
(Increase)/decrease in Balances with banks - Lien marked	(2.57)	0.06
(Increase)/decrease in Loans	(2,543.94)	(5,214.36)
Increase/(decrease) in Trade Payables	(0.92)	21.85
Increase/(decrease) in Other financial liabilities	(88.58)	154.68
Increase/(decrease) in Other non-financial liabilities	34.80	(166.17)
Increase/(decrease) in Provisions	1.27	10.01
Operating Profit after Working Capital changes	(1,544.03)	(4,008.65)
Direct Taxes Paid	(302.12)	(305.44)
Net cash generated from / (used in) Operating Activities (A)	(1,846.15)	(4,314.09)
Cash flow from Investing Activities		
Purchase of property, plant and equipment (including intangible assets)	(4.45)	(5.34)
Sale of property, plant and equipment	0.92	0.66
Investment in Fixed deposits	(2,798.32)	(4,810.01)
Proceeds from redemption of Fixed deposits	2,508.96	4,871.07
Purchase of investments	(4,844.00)	(8,654.93)
Proceeds from sale of investments	5,082.87	9,522.32
Net Cash generated from / (used in) Investing Activities (B)	(54.02)	923.77

Consolidated Statement of Cash Flows

for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from Financing Activities		
Dividend paid	-	(144.90)
Proceeds from borrowings	7,306.50	6,742.96
Repayment of borrowings	(5,824.34)	(5,286.75)
Proceeds from issue of debt securities	1,330.35	1,390.00
Repayment of debt securities	(656.40)	(141.90)
Repayment of sub-ordinated debt	(126.30)	-
Payment of interest on lease liabilities	(7.43)	(5.89)
Principal payment of lease liabilities	(24.35)	(16.69)
Payment of interest on borrowings	(0.46)	-
Net Cash generated from / (used in) Financing Activities (C)	1,997.57	2,536.82
Net increase in cash and cash equivalents (A+B+C)	97.41	(853.50)
Cash and cash equivalents as at the beginning of the year	781.71	1,635.21
Cash and cash equivalents as at the end of the year	879.12	781.71
The accompanying notes are an integral part of the consolidated financial statements		

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra

Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants

ICAI Firm registration number:
004207S

P Menakshi Sundaram

Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman

Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra

Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal

Company Secretary
(F6327)
Place: Mumbai

Sumit Jhunjunwala

Chief Financial Officer
Place: Mumbai



Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

A. Equity Share Capital*

1. As at March 31, 2025

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors			Changes in equity share capital during the current year		Balance at the end of the current reporting year
26.34	-	-	-	-	-	26.34

2. As at March 31, 2024

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors			Changes in equity share capital during the current year		Balance at the end of the current reporting year
26.34	-	-	-	-	-	26.34

*Refer Note 22

B. Other Equity

1. As at March 31, 2025

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Pursuant to Section 29C of National Housing Bank Act, 1987	Special Reserve	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	
Balance at the beginning of the current reporting year	1.35	2,969.65	143.86	766.47	2,502.82	19.77	[0.13]	6,411.71
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	1.35	2,969.65	143.86	766.47	2,502.82	19.77	[0.13]	6,411.71
Profit for the year	-	-	-	-	976.50	-	-	976.50
Fair Value change on derivatives designated as Cash Flow Hedge [Net of Tax] [Refer Note A]	-	-	-	-	-	-	[4.82]	[4.82]
Fair value of loans carried at FVTOCI [Net of Tax]	-	-	-	-	-	-	-	-
Remeasurement of defined benefit [Net of Tax] [Refer Note B]	-	-	-	-	[0.69]	-	-	[4.49]
Total Comprehensive Income for the year	1.35	2,969.65	143.86	766.47	3,478.63	19.77	[4.95]	7,378.19
Addition during the year [Refer Note D]	-	-	-	200.00	-	57.92	-	57.92
Transfer to Special Reserve [Refer Note C]	-	-	-	-	[200.00]	-	-	-
Balance at the end of the Current reporting year	1.35	2,969.65	143.86	966.47	3,278.63	77.69	[4.95]	7,436.11

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025 (Contd..)

2. As at March 31, 2024

Particulars	Reserves and Surplus					Share Option Outstanding Account	Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Pursuant to Section 29C of National Housing Bank Act, 1987	Special Reserve		Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	1.35	2,969.65	143.86	561.07	1,837.18	-	5.57	9.09	5,527.77
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	1.35	2,969.65	143.86	561.07	1,837.18	-	5.57	9.09	5,527.77
Profit for the year	-	-	-	-	1,016.55	-	-	-	1,016.55
Fair Value change on derivatives designated as Cash Flow Hedge [Net of Tax] [Refer Note A]	-	-	-	-	-	-	[5.70]	-	[5.70]
Fair value of loans carried at FVTOCI [Net of Tax]	-	-	-	-	-	-	-	[1.19]	[1.19]
Remeasurement of defined benefit [Net of Tax] [Refer Note B]	-	-	-	-	[0.61]	-	-	-	[0.61]
Total Comprehensive Income for the year	1.35	2,969.65	143.86	561.07	2,853.12	-	[0.13]	7.90	6,536.84
Addition during the year [Refer Note D]	-	-	-	-	-	19.77	-	-	19.77
Equity Dividend [Refer Note E]	-	-	-	-	[144.90]	-	-	-	[144.90]
Transfer to Special Reserve [Refer Note C]	-	-	-	205.40	[205.40]	-	-	-	-
Balance at the end of the Current reporting year	1.35	2,969.65	143.86	766.47	2,502.82	19.77	[0.13]	7.90	6,411.71

- A. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
- B. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.
- C. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit 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.
- D. The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Company.
- E. During the year ended March 31, 2024, the Board of Directors of the Company had declared and paid interim dividend of ₹ 55 per equity share (For year ended March 31, 2025, Nil).

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

P Menakshi Sundaram
Partner

Membership No: 217914

Place: Mumbai
Date: May 06, 2025

R. Venkataraman
Non-Executive Director
(DIN: 00011919)

Place: Mumbai

Monu Ratna
Executive Director & CEO
(DIN: 07406284)

Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)

Place: Mumbai

Sumit Jhunjunwala
Chief Financial Officer

Place: Mumbai



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025

Note 1. CORPORATE INFORMATION

Company overview

IIFL Home Finance Limited ("IIFL HFL"/ "the Company") (CIN No. U65993MH2006PLC166475), is a subsidiary of IIFL Finance Limited. IIFL HFL received a Certificate of Registration from the National Housing Bank ("NHB") in February 2009 to carry on the business of a housing finance institution. IIFL HFL offers housing finance in line with and RBI Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time. The Company is classified under "Middle Layer" pursuant to Scale Based Regulations prescribed by the RBI vide its Circular Ref. No. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 read with Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale based Regulation) Directions, 2023 dated October 19, 2023 as amended from time to time. The redeemable and non-convertible debentures of the company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company's registered office is at Sun Infotech Park, Road No. 16V, Plot No. B-23 Thane Industrial Area, Wagle Estate, Thane - 400604.

Note 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The Consolidated financial statements of IIFL Home Finance Ltd ("the Company") and its subsidiary (together hereinafter referred to as "the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

(b) Basis of Preparation

i. Control and Significant Influence

Control is achieved when the Company has all the following:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee and
- Has the ability to use its power over investee to affect its returns

Significant Influence

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

ii. Principles of consolidation:

- A. The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").
- B. The effects of all inter-Group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year by the Group.
- C. The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Group, March 31, 2025, or till the date significant influence exist.
- D. The consolidated financial statements of the Group with subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- E. The excess of cost to the Group of its investments in the subsidiary and associate companies over its share of equity of the subsidiary and associate companies, at the dates on which the investments in the subsidiary and associate companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary and associate companies as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

iii. List of subsidiary consolidated

Particulars	Relationship	Date of Control / Significant influence	Proportion of Ownership Interest (%) as at March 31, 2025
IIFL Sales Limited	Subsidiary	September 28, 2021	100%

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(c) Presentation of financial statements

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Consolidated Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Consolidated Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the NHB and RBI. The Group presents its Consolidated Balance Sheet in the order of liquidity.

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded in crores upto two decimals thereof except when otherwise stated.

(d) Basis of measurements

A historical cost is a measure of value used in accounting in which the price of an asset on the consolidated balance sheet is based on its nominal or original cost when acquired by the Group.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(e) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards (Ind AS)

requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

i. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

ii. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Group's historical experience and collateral values when determining impairment losses along with 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.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- Group's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.
- Creation of additional management overlay to reflect among other things an increased risk of deterioration in performance of pool of specific assets.

iii. Effective interest rate computation

a. On Financial Assets:

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost that are directly attributable. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the Group at each reporting date and material changes, if any are given effect to.

b. On Financial Liabilities:

Computation of effective interest rate involves significant estimates and judgements with respect to borrowing tenure, nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost that are directly attributable.

iv. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in consolidated financial statements the Group uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However, in certain cases, the Group adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Group applies appropriate valuation techniques and inputs to the valuation model.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

v. Taxes

Current Tax: The Group's tax jurisdiction is in India. Significant judgements are involved in determining the provision for current taxes, including amount expected to be paid/recovered for certain tax positions.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred Tax: Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

vi. Provisions and Contingencies

Provisions and Contingencies are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

vii. Defined Benefit Plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

viii. Fair value of share-based payments:

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Black-Scholes model.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

ix. Derivatives

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts and cross currency swaps. The Group makes use of derivative instruments to manage exposures to interest rate risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

x. Excess interest strip (EIS)

The Group, on de-recognition of financial assets under the direct assignment transactions, recognises the right of excess interest spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Group records the discounted value of expected cash flows of the future EIS discounting at interest on the loan portfolio, upfront in the Statement of Profit and Loss.

Note 3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income and dividend income

Interest income on financial instruments at measured amortised cost/Fair value through other comprehensive income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable except for financial assets which are credit impaired. Interest income on pool of loan accounts which are assigned is recognised net off interest payable to assignees on the assigned pool of loan accounts.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument adjusted for its past behaviour pattern.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets [i.e., at the amortised cost of the financial asset before adjusting for any expected credit loss allowance]. For credit-impaired financial assets, interest income is recognised on receipt basis.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Consolidated Statement of Profit and Loss at initial recognition.

Penal Interest / charges are recognised as income on realisation.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Group's Consolidated Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc are recognised on realisation.

iii. Net gain / (loss) on Fair Value Changes

Net gain / (loss) on Fair Value Changes includes gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Other Income

Other income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at cost of acquisition, if any, less accumulated depreciation and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised 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 is determined as the difference between the sales proceeds and the carrying amount net of accumulated depreciation of the



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

asset and is recognised in the Consolidated Statement of Profit and Loss.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Intangible assets under development".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Consolidated Balance Sheet are disclosed as "Intangible assets under development.

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset) is included in Consolidated Statement of Profit or Loss in the period in which the Investment property is derecognised.

(e) Depreciation and Amortisation

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset.

The estimated useful life of assets is as under:

Class of assets	Life as per Schedule II Companies Act	Useful life as per Group
Investment property Real Estate*	60 years / 30 years	20 years
Computers	3 years	3 years
Office equipment	5 years	5 years
Electrical Equipment*	10 years	5 years
Furniture and fixtures*	10 years	5 years
Vehicles*	8 years	5 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets i.e., Software are amortised on straight-line basis over the estimated useful life of 3 years.

(f) Impairment of Assets other than financials assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, intangible assets, intangible assets under development and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets, intangible assets under development and investment property are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Consolidated Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(g) Employee benefits

i. Share based payments.

The Group operates Employee Stock Option Scheme ('the Scheme') which provides for the grant of options to acquire equity shares of the Company to its employees. The options granted to employees' vest in a graded manner and these may be exercised by the employees within a specified period. These equity-settled share-based payments to employees are measured at the fair value of the equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity stock options that will eventually vest, with a corresponding increase in other equity (Share option outstanding account). The fair value of options is estimated using valuation techniques, which incorporate exercise price, term, risk-free interest rates, the current share price, its expected volatility etc.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to the Share option outstanding account.

On cancellation or lapse of unvested options granted to employees, the employee stock option cost charged to statement of profit & loss is credited with corresponding decrease in other equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii. Defined contribution plans

The Group's contribution towards Provident Fund, Family Pension Fund and ESIC are considered as defined contribution plans and are charged as an expense based on the amount of contribution as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Consolidated Statement of Profit and loss.

iii. Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

iv. Defined Benefit Plans

Post-employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Consolidated Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Consolidated Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The obligation recognised in respect of long-term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plan above.

(h) Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in consolidated profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the consolidated balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in consolidated statement of profit and loss over the lease term on straight line method. The related cash flows are classified as operating activities.

(i) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's consolidated financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

(j) Financial instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Group's Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Consolidated Statement of Profit and Loss.

Financial assets

Classification and Subsequent measurement

The Group classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised 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.

Financial Assets measured at amortised cost.

Financial assets that meet the following criteria are measured at amortised cost.

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g., if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial Assets measured at fair value through other comprehensive income ("FVTOCI")

Financial assets that meet the following criteria are measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Consolidated Statement of profit or loss for FVTOCI financial assets. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Consolidated Statement of Profit or Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The gain or loss on disposal is recognised in the Consolidated Statement of Profit and Loss.

Interest income is recognised in the Consolidated Statement of Profit and Loss for FVTPL debt instruments.

All equity investments in scope of Ind AS 109 are measured at fair value and classified as at FVTPL.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Impairment of financial assets

Group recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not measured at fair value through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group has established a policy to perform an assessment at the end of each reporting period 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 life of the financial instruments.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12-month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2/ Stage 3 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Group records an allowance for the lifetime expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans show significant increase in credit risk and are considered credit- impaired, the Group records an allowance for the lifetime expected credit losses.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is the maximum exposure as on the reporting date. It includes principal, interest and sanctioned but undisbursed amount (with certain exceptions for Stage 3 & SICR cases). Interest also includes interest accrued but not due.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously de-recognised and is still in the portfolio. PD is calculated based on historical default rate summary of past years using historical analysis.
- Loss given default ("LGD") estimates the loss which Group incurs post customer default. It is computed using historical loss, recovery experience and value of collateral. It is usually expressed as a percentage of the Exposure at default ("EAD").

Significant increase in credit risk

The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group measures the loss allowance based on lifetime rather than 12-month ECL.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The Group considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit- impaired) for ECL calculations and upgraded to Stage 1 only on the event of clearance of all overdue amounts of that customer.

Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Group assesses whether this modification results in derecognition.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition.

Where a modification does not lead to derecognition the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under assignment arrangement; and either

- the Group has transferred substantially all the risks and rewards of the asset, or

- the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group assesses the derecognition test where the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Assignment transactions

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognised and gains/losses are accounted for, only if the Group transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/ loss arising on such assignment transactions is recorded upfront in the Consolidated Statement of Profit and Loss and the corresponding loan is derecognised from the Consolidated Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the estimated life of the asset) is recognised on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Securitisation transactions

In case of securitisation transactions, the Group retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets. The Group continues to recognise the entire loan and also recognises a collateralised borrowing for the proceeds received.

Write-off

Financial Assets are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in credit to impairment on financial instruments.

Financial liabilities and equity Instruments

Financial liability and equity instruments that are issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are recognised initially at fair value net of transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial liabilities except fair value in case of financial liabilities recorded at fair value through profit or loss,

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid

or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the interim balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instrument

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in Consolidated Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non- financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in Consolidated Statement of Profit and Loss.

(l) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(m) Goods and service tax input credit

Goods and service tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

(n) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

(o) Foreign currencies

In preparing the consolidated financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

(p) Segment reporting

The Executive Director (ED) of the Company has been identified as the chief operating decision maker (CODM) as defined in the IND AS 108. "Operating Segments." Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and makes strategic decision.

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Contingent liability is:

- possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- present obligation that arises from past events but is not recognized because;
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent assets are not recognised in the consolidated financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Group recognize such assets. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(r) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- Estimated amount of contracts remaining to be executed on capital account and not provided for;
- Funding related commitment to associate and joint venture companies; and
- Other non-cancellable commitments, if any.

(s) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the

weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(t) Statement of Cash Flows

Consolidated Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

(u) Dividend

Final dividend on equity shares is recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Group's Board of Directors. The Corresponding amount is recognised directly in other equity.

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. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 - Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Group has assessed that there is no significant impact on its financial statements.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 4A. Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Cash on hand	1.01	1.56
Cheques on hand	5.40	1.22
Balance with banks		
- In current accounts	222.15	270.12
- In deposit accounts (original maturity less than or equal to three months)	650.56	508.81
Cash and cash equivalents	879.12	781.71

Note 4B. Bank balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Other bank balances		
In earmarked accounts		
- Unspent CSR amount	2.47	1.27
- Unclaimed interest and redemption proceeds of NCDs	4.74	3.37
In deposit accounts (refer note 4B.1 below)	591.36	294.59
Total	598.57	299.23

Note 4B.1 Out of the deposit accounts shown above:

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Lien marked towards overdraft facilities	374.77	166.54
Lien marked towards other commitments	40.98	47.23
Margin for credit enhancement	75.54	80.80
Freehold deposits with Banks	100.07	-
Total	591.36	294.57

Note 5. Derivatives financial instruments

(₹ in Crores)

Part I	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
(i) Currency derivatives:								
- Cross currency interest rate swaps	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
Subtotal (i)	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
(ii) Other derivatives								
- Forward contract	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
Subtotal (ii)	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
Total derivative (i+ii)	2,124.67	5.97	22.20	(16.23)	1,505.56	1.65	4.26	(2.61)



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)								
Part II	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
- Currency derivatives	378.67	5.97	-	5.97	413.10	-	4.26	(4.26)
- Forward contract	1,746.00	-	22.20	(22.20)	1,092.46	1.65	-	1.65
(ii) Undesignated derivatives								
- Forward contract	-	-	-	-	-	-	-	-
Total derivative financial instruments (i+ii)	2,124.67	5.97	22.20	(16.23)	1,505.56	1.65	4.26	(2.61)

5.1 Hedging activities and derivatives

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts and cross currency interest rate swaps.

The Group is exposed to interest rate risk arising from its foreign currency borrowings amounting to USD 24.85 crores (as at March 31, 2024 USD 18.16 Crores.). Interest on the borrowing is payable at a floating rate linked to USD SOFR (Secured Overnight Financing Rate). The Group hedged the interest rate risk arising from the debt with a ‘receive floating pay fixed’ cross currency interest rate swap and also with a Derivative Forward Contract.

The Group uses Critical Terms Matching to determine Hedge effectiveness. If the hedge is ineffective, then the movement in the Fair Value is charged to the Statement of Profit and Loss. If the hedge is effective, the movement in the Fair Value of the underlying and the derivative instrument is transferred to “Other Comprehensive Income” in Other Equity.

There is an economic relationship between the hedged item and the hedging instrument as the critical terms of the Forward contracts/ Cross Currency Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency interest rate swaps are identical to the hedged risk components.

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Notional amount	2,124.67	1,505.56
Carrying amount - Asset / (Liability)	(16.23)	(2.61)
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument

(₹ in Crores)		
Hedging gain / (loss) recognised in OCI	Year ended March 31, 2025	Year ended March 31, 2024
(Gain)/Loss On Swap Transaction	13.62	56.13
(Gain)/Loss On Mark To Market On Fluctuation Of Foreign Exchange	(7.17)	(48.52)
Tax implication on above	(1.63)	(1.91)
Total	4.82	5.70

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 6. Receivables

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
(i) Trade receivables		
Receivables considered good - unsecured	54.68	48.22
Less: Impairment loss allowance	(0.10)	(0.04)
Total	54.58	48.18

No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

Trade Receivables are not interest bearing.

Trade Receivables aging schedule

(₹ in Crores)							
Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	17.38	36.79	0.51	-	-	-	54.68

As at March 31, 2024

(₹ in Crores)							
Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months- 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	10.98	37.07	0.15	0.02	-	-	48.22

Less than 6 months include ₹ 16.57 crores. which are not due as at March 31, 2025 (as at March 31, 2024 ₹ 36.86 crores.)

Note 7. Loans

(₹ in Crores)				
Particulars	As at March 31, 2025			
	Amortised cost 1	FVTOCI 2	FVTPL 3	Total (4=1+2+3)
Loans				
(A)				
(i) Term loans	22,267.51	3,211.17	611.52	26,090.20
Total (A) - Gross	22,267.51	3,211.17	611.52	26,090.20
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total (A) - Net	21,860.42	3,185.36	611.52	25,657.30
(B)				
(i) Secured by tangible assets	22,248.04	3,211.17	611.52	26,070.73
(ii) Secured by Government Guarantee	17.34	-	-	17.34
(iii) Unsecured	2.13	-	-	2.13
Total (B) - Gross	22,267.51	3,211.17	611.52	26,090.20
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total (B) - Net	21,860.42	3,185.36	611.52	25,657.30



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2025			
	Amortised cost	FVTOCI	FVTPL	Total
	1	2	3	(4=1+2+3)
(C)				
(I) Loans in India	22,267.51	3,211.17	611.52	26,090.20
(i) Public sector	-	-	-	-
(ii) Other than Public sector	22,267.51	3,211.17	611.52	26,090.20
Less: Impairment loss allowance	(407.09)	(25.81)	-	(432.90)
Total C (I) - Net	21,860.42	3,185.36	611.52	25,657.30
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)	-	-	-	-
Total C (I) and C (II)	21,860.42	3,185.36	611.52	25,657.30

(₹ in Crores)

Particulars	As at March 31, 2024			
	Amortised cost	FVTOCI	FVTPL	Total
	1	2	3	(4=1+2+3)
Loans				
(A)				
(i) Term loans	19,656.78	3,828.32	-	23,485.10
Total (A) - Gross	19,656.78	3,828.32	-	23,485.10
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total (A) - Net	19,303.25	3,810.85	-	23,114.10
(B)				
(i) Secured by tangible assets	19,593.36	3,828.32	-	23,421.68
(ii) Secured by Government Guarantee	57.30	-	-	57.30
(iii) Unsecured	6.12	-	-	6.12
Total (B) - Gross	19,656.78	3,828.32	-	23,485.10
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total (B) - Net	19,303.25	3,810.85	-	23,114.10
(C)				
(I) Loans in India	19,656.78	3,828.32	-	23,485.10
(i) Public sector	-	-	-	-
(ii) Other than Public sector	19,656.78	3,828.32	-	23,485.10
Less: Impairment loss allowance	(353.53)	(17.47)	-	(371.00)
Total C (I) - Net	19,303.25	3,810.85	-	23,114.10
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)	-	-	-	-
Total C (I) and C (II)	19,303.25	3,810.85	-	23,114.10

Note 7.1 : The above Term Loans includes ₹ 292.83 Crores. (as at March 31, 2024, ₹ 229.19 Crores) towards interest accrued and overdue, unamortised processing fee, gain/loss on modification of financial assets and gain/loss on FVTOCI.

Note 7.2 : Loans classified under FVTPL relate to amount lent under CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil) including interest accrued of ₹ 0.49 crores (as at March 31, 2024, Nil)

Note 7.3 : Secured loans held at amortised cost or classified at FVTOCI are loans given to customers are secured by equitable mortgage of property.

Note 7.4 : Unsecured represents amount where in the exposure exceeds the collateral value.

Note 7.5: The Group has not granted any loans or advances in the nature of loans, to promoters, Directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are either repayable on demand or without specifying any terms or period of repayment during the year except as disclosed in Note 41 Related party transactions.

Note 7.6: Refer note 39A.1 for credit risk.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 8. Investments

(₹ in Crores)

Particulars	As at March 31, 2025		
	FVTPL	At Amortised Cost	Total
(A)			
(i) Investments in Government Securities	209.34	-	209.34
(ii) Investments in Debt Securities	53.50	63.40	116.90
(iii) Investment in equity shares	25.00	-	25.00
(iv) Investment in Others:			
(a) Pass through certificates	-	5.09	5.09
Total - Gross (A)	287.84	68.49	356.33
(B)			
(i) Investments in India	287.84	68.49	356.33
Total (B)	287.84	68.49	356.33
(C)			
Less: Impairment loss allowance	-	(0.90)	(0.90)
Total- Net (A-C)	287.84	67.59	355.43

(₹ in Crores)

Particulars	As at March 31, 2024		
	FVTPL	At Amortised Cost	Total
(A)			
(i) Investments in Government Securities	50.89	-	50.89
(ii) Investments in Debt Securities	241.21	75.93	317.14
(iii) Investment in Others:			
(a) Pass through certificates	-	6.20	6.20
(b) Commercial Papers	-	99.35	99.35
(c) Security receipts	109.50	-	109.50
Total - Gross (A)	401.60	181.48	583.08
(B)			
(i) Investments in India	401.60	181.48	583.08
Total (B)	401.60	181.48	583.08
(C)			
Less: Impairment loss allowance	-	(1.00)	(1.00)
Total- Net (A-C)	401.60	180.48	582.08



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 8.1 Investment Details Script Wise

Particulars	As at March 31, 2025	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 2.5Lac	100	2.52
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FVRS1LAC	5,000	50.98
Investments in Equity securities		
Measured at FVTPL:		
Equity shares of RMBS Development Company Limited	2,50,00,000	25.00
Total		78.50
Investments in Debt securities		
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV ₹ 1 Lac	4,385	37.45
Vatika Limited - 16.55 NCD FV ₹ 1 Lac	2,971	25.95
Total		63.40
Investment in Other securities:		
Investment in Government Securities		
Measured at FVTPL:		
7.18% G.S. 2033	50,00,000	52.27
6.79% G.S. 2034	1,50,00,000	157.07
Pass through certificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	5.09
Total		214.43
Total		356.33

Particulars	As at March 31, 2024	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.24
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.34
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	26.55
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	6.30
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.71
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.77
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.78
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	26.14
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	26.39
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FVRS1LAC	5,000	50.99
Total		241.21
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV ₹ 1 Lac	4,240	44.98
Vatika Limited - 16.55 NCD FV ₹ 1 Lac	2,873	30.95
Total		75.93
Investment in Other securities:		
Investment in Security Receipts		
RARE ARC 06803	10,95,000	109.50
Investment in Government Securities		
7.18% G.S. 2033	50,00,000	50.89
Pass through certificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	6.20
Commercial Papers:		
Deutsche Investments India Private Limited 162D CP 30Apr24	1,000	49.66
National Bank For Agriculture And Rural Development 91D CP 30Apr24	1,000	49.69
Total		99.35

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 9. Other financial assets

Particulars	At Amortised Cost	
	As at	As at
	March 31, 2025	March 31, 2024
Security deposits		
- Unsecured, considered good	8.00	5.71
- Unsecured, which have significant increase in credit risk	0.75	0.76
Less: Impairment loss allowance (Refer Note 9.1 below)	(0.75)	(0.76)
Interest strip asset on assignment (Net of Impairment loss allowance) - unsecured, considered good	490.48	374.55
Other receivables - unsecured, considered good*	111.53	108.25
Total	610.01	488.50

* Includes amount pertaining to receivables on account of assignment transaction.

Note 9.1. Impairment loss allowance on Security Deposits

Particulars	As at	
	March 31, 2025	March 31, 2024
Opening provision		
Additions	0.76	0.92
Reductions	0.01	0.04
	(0.02)	(0.18)
Closing provision	0.75	0.76

Note 10. Deferred tax assets (Net)

Significant components of deferred tax assets and liabilities as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025			
	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	0.76	0.27	-	1.03
Expected credit losses	93.63	2.49	-	96.12
Provision for employee benefits	4.43	0.09	0.23	4.75
Lease Liabilities	16.26	8.04	-	24.30
Adjustment pertaining to income and expenses	34.29	(2.88)	-	31.41
recognition based on effective interest rate				
Fair value of derivative financial instruments	2.92	-	1.63	4.55
Carry forward losses	-	6.22	-	6.22
Total deferred tax assets (A)	152.29	14.23	1.86	168.38
Deferred tax liabilities:				
Interest strip asset on assignment	(94.27)	(29.89)	-	(124.17)
Fair value of financial instruments - Investments	(4.95)	(0.60)	-	(5.55)
Fair value of financial instruments - Loans at FVTOCI	(2.66)	-	1.52	(1.14)
Right of use of Assets	(14.48)	(7.81)	-	(22.29)
Total deferred tax liabilities (B)	(116.34)	(38.30)	1.52	(153.12)
Deferred tax assets (A+B)	35.95	(24.07)	3.38	15.25



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Significant components of deferred tax assets and liabilities as at March 31, 2024 are as follows:

(₹ in Crores)				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, plant and equipment	0.64	0.12	-	0.76
Expected credit losses	127.22	[33.59]	-	93.63
Provision for employee benefits	2.67	1.56	0.20	4.43
Lease Liabilities	13.37	2.89	-	16.26
Adjustment pertaining to income and expenses recognition based on effective interest rate	26.83	7.46	-	34.29
Fair value of derivative financial instruments	[11.20]	-	14.13	2.92
Total deferred tax assets (A)	159.54	(21.57)	14.33	152.29
Deferred tax liabilities:				
Interest strip asset on assignment	[94.53]	0.26	-	[94.27]
Fair value of financial instruments - Investments	[3.46]	[1.49]	-	[4.95]
Fair value of financial instruments - Loans at FVTOCI	[3.05]	-	0.40	[2.66]
Right of use of Assets	[12.66]	[1.82]	-	[14.48]
Total deferred tax liabilities (B)	(113.70)	(3.05)	0.40	(116.34)
Deferred tax assets (A+B)	45.84	(24.62)	14.73	35.95

Note 11A. Investment Property

(₹ in Crores)	
Particulars	Building
As at March 31, 2023	2.75
Additions	-
Deductions/Adjustments	-
As at March 31, 2024	2.75
Additions	-
Deductions/Adjustments	-
As at March 31, 2025	2.75
Accumulated Depreciation	
As at March 31, 2023	0.46
Depreciation for the year	0.13
Deductions/Adjustments	-
As at March 31, 2024	0.59
Depreciation for the year	0.14
Deductions/Adjustments	-
As at March 31, 2025	0.73
Net Block as at March 31, 2024	2.16
Net Block as at March 31, 2025	2.02

Note 11A.1. Reconciliation of changes in the fair value of the Investment Property

(₹ in Crores)	
Particulars	Building
As at March 31, 2023	3.68
Additions resulting from acquisition	-
Changes in the fair value (including sale)	0.22
As at March 31, 2024	3.90
Additions resulting from acquisition	-
Changes in the fair value (including sale)	-
As at March 31, 2025	3.90

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The Fair Value of the Investment Property has been arrived on the basis of valuation carried out by an independent un-registered Valuer. The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

Note 11A.2. Title deeds of Immovable Property not held in name of the Company

As at March 31, 2025

(₹ in Crores)						
Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate

As at March 31, 2024

(₹ in Crores)						
Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate

Note: Due to sensitivity of the information, borrower details, in whose name the title deeds are held are not disclosed.

Note 11B. Property, Plant and Equipment

(₹ in Crores)							
Particulars	Freehold Land*	Furniture & Fixture	Office Equipment	Electrical Equipment	Computers	Vehicles	Total
As at March 31, 2023	0.09	1.67	1.09	1.38	12.71	0.69	17.64
Additions	-	0.62	0.25	0.45	3.91	-	5.23
Deductions/Adjustments	-	0.32	0.08	0.15	2.55	-	3.10
As at March 31, 2024	0.09	1.97	1.26	1.68	14.07	0.69	19.77
Additions	-	0.80	0.31	1.05	2.05	-	4.21
Deductions/Adjustments	-	0.62	0.21	0.56	1.35	-	2.74
As at March 31, 2025	0.09	2.15	1.36	2.17	14.77	0.69	21.23
Accumulated Depreciation							
As at March 31, 2023	-	1.14	0.77	0.68	7.08	0.05	9.73
Depreciation for the year	-	0.34	0.17	0.27	3.49	0.14	4.41
Deductions/Adjustments	-	0.23	0.04	0.08	1.62	-	1.97
As at March 31, 2024	-	1.25	0.90	0.87	8.94	0.19	12.16
Depreciation for the year	-	0.43	0.17	0.40	3.36	0.14	4.49
Deductions/Adjustments	-	0.36	0.19	0.30	0.93	-	1.78
As at March 31, 2025	-	1.33	0.88	0.97	11.37	0.33	14.87
Net Block as at March 31, 2024	0.09	0.72	0.36	0.81	5.13	0.50	7.61
Net Block as at March 31, 2025	0.09	0.82	0.48	1.20	3.40	0.36	6.36

* The above Freehold Land is hypothecated with Debenture Trustee(s) for issue of secured non-convertible debentures.



Notes

forming part of Consoloidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- a). During the year ended March 2025 and March 2024, the Group has not revalued its Property, Plant and Equipment.
- b). Title deeds of freehold land are held in the name of the Group.

Note 12. Right of use assets

Statement showing carrying value of right of use assets

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at March 31, 2023	46.82	3.40	50.22
Additions	30.86	1.81	32.67
Deductions/Adjustments	3.71	0.08	3.79
Depreciation	20.18	1.40	21.58
As at March 31, 2024	53.79	3.73	57.52
Additions	70.86	1.53	72.38
Deductions/Adjustments	6.63	0.16	6.79
Depreciation	24.76	1.73	26.49
As at March 31, 2025	93.25	3.37	96.62

Note 12A. Lease Liability

Statement showing movement in lease liabilities

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at March 31, 2023	48.45	3.55	52.00
Additions	30.86	1.81	32.67
Deductions/Adjustments	4.64	0.08	4.72
Finance cost accrued during the year	5.55	0.34	5.89
Payment of lease liabilities	20.91	1.67	22.58
As at March 31, 2024	59.31	3.95	63.26
Additions	69.68	1.30	70.98
Deductions/Adjustments	7.13	0.00	7.13
Finance cost accrued during the year	7.12	0.35	7.47
Payment of lease liabilities	29.75	2.02	31.77
As at March 31, 2025	99.23	3.58	102.81

Statement showing break up value of the Current and Non - Current Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	22.27	22.49
Non- Current lease liabilities	80.54	40.77
Total	102.81	63.26

Statement showing contractual maturities of lease liabilities on an undiscounted basis

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Due for		
Up to One year	28.95	27.08
One year to Two years	26.68	16.37
Two to Five years	42.19	18.56
More than Five years	34.20	11.06
Total	132.02	73.07

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Statement showing amount recognised in Statement of Profit and Loss:

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on lease liabilities	7.43	5.89
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.19	0.15
Total	7.62	6.04

Statement showing amount recognised in Statement of Cash Flows:

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment of interest on lease liabilities	7.43	5.89
Payment of lease liabilities	24.34	16.69
Total cash outflows for leases	31.77	22.58

Note 13A. Other Intangible Assets

(₹ in Crores)

Particulars	Computer Software
As at March 31, 2023	1.69
Additions	0.45
Deductions/Adjustments	-
As at March 31, 2024	2.14
Additions	0.60
Deductions/Adjustments	-
As at March 31, 2025	2.74
Accumulated Depreciation	
As at March 31, 2023	1.25
Depreciation For the year	0.33
Deductions/Adjustments	-
As at March 31, 2024	1.58
Depreciation For the year	0.51
Deductions/Adjustments	-
As at March 31, 2025	2.09
Net Block as at March 31, 2024	0.56
Net Block as at March 31, 2025	0.65

During the year ended March 2025 and March 2024, the Group has not revalued its Other Intangible Assets.

Note 13B. Intangible asset under development

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.34	0.11
Additions during the year	0.10	0.34
Capitalised during the year	0.34	0.11
Closing balance	0.10	0.34



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Statement showing ageing schedule of Intangible Assets under development

(₹ in Crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	0.10	-	-	-	0.10
Projects temporarily suspended	-	-	-	-	-

(₹ in Crores)

Particulars	As at March 31, 2024				
	Less thann 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	0.34	-	-	-	0.34
Projects temporarily suspended	-	-	-	-	-

*No projects were delayed for completion or had exceeded its cost compared to its original plan.

Note 14. Other Non Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	0.04	0.07
Prepaid expenses	11.33	5.80
Advances to vendors	0.79	2.33
Staff advances	0.01	0.02
Total	12.17	8.22

Note 15. Trade Payables

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 15A)	8.11	3.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	53.70	65.65
Total	61.81	68.77

Note 15A. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

The Group had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the Group regarding the status of suppliers under MSMED Act, 2006.

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Principal amount remaining unpaid to any supplier at the year end	8.11	3.12
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) 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 Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) 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 Act	-	-

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

No interest has been paid / is payable by the Group during the year to the Suppliers registered under this Act

The aforementioned is based on the responses received by the Group to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

Trade Payables aging schedule

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction					Total
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	

As at March 31, 2025

(i) Total outstanding dues of micro enterprises and small enterprises	8.11	-	-	-	-	8.11
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	51.77	1.89	0.03	-	0.01	53.70
Total	59.88	1.89	0.03	-	0.01	61.81

As at March 31, 2024

(i) Total outstanding dues of micro enterprises and small enterprises	3.08	0.04	-	-	-	3.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	61.59	3.98	0.05	-	0.03	65.65
Total	64.67	4.02	0.05	-	0.03	68.77

Note: The Group does not have any disputed Trade Payables.

Note 16. Debt Securities

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2025	As at March 31, 2024
Secured:		
Non-convertible debentures - (Refer Note (a), (b) and 16.1)	3,811.62	3,221.89
Zero Coupon Bonds -(Refer Note (a) and 16.1)	28.55	158.51
Total (A)	3,840.17	3,380.40
Unsecured:		
Commercial Paper - (Refer Note 16.1 (c))	392.55	232.64
Total (B)	392.55	232.64
Total (A+B)	4,232.72	3,613.04
Debt securities in India	4,232.72	3,613.04
Debt securities outside India	-	-

Note a: The above Non Convertible Debentures (NCDs) and Bonds are secured by way of first pari passu charge in favour of Debenture Trustee by way of hypothecation on receivables of the Company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders. The NCDs/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are G-Sec linked and the interest is payable on maturity.

Note b: Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call option and contains a repayment clause by way of reduction in face value ₹ Nil {As at March 31, 2024 ₹ 15.00 Crores (callable from March 20, 2024)}, NCDs carrying call and put option of ₹ 280.00 Crores (callable / puttable from April 02, 2025) {As at March 31, 2024 ₹ 280.00 Crores (callable / puttable from April 02, 2025)} and NCDs carrying call and put option of ₹ 320 Crores (callable / puttable from May 23, 2025) {As at March 31, 2024 ₹ 320 Crores (callable / puttable from May 23, 2025)}.



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 16.1 - Terms of repayment

Residual maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest	Amount	Rate of Interest
Secured NCD (A)				
(a) Fixed:				
More than 5 years	177.65	5.00% - 9.25%	933.69	5.00% - 9.18%
3- 5 Years	1,286.78	5.00% - 9.25%	956.36	5.00% - 8.75%
1-3 Years	1,658.78	5.00% - 9.18%	940.03	5.00% - 10.05%
Less than 1 year	688.41	5.00% - 8.70%	391.81	5.00% - 8.59%
Total Secured NCD (A)	3,811.62		3,221.89	

Residual maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Yield	Amount	Yield
Secured Zero Coupon (B)				
More than 5 years	-		-	
3- 5 Years	9.86	8.75% - 9.25%	6.65	8.75%
1-3 Years	18.69	8.50% - 9.18%	5.13	8.50%
Less than 1 year	-	-	146.73	8.25% - 10.30%
Total Secured Zero Coupon (B)	28.55		158.51	

Residual maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Discount Rate	Amount	Discount Rate
Unsecured (C)				
Commercial Paper				
Less than 1 year	392.55	8.50% - 8.75%	232.64	9.05%
Total Unsecured (C)	392.55		232.64	

Note 16.2(a) - Security wise details of Secured NCD

Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
8.70% Secured rated Listed Redeemable Non convertible Debentures Letter of Allotment SERIES G1 Date of maturity 20/10/2025.	8.70%	250.00	-
8.57% Secured Rated Listed Redeemable Non Convertible Debenture. Series J1 Date of maturity 28/04/2026	8.57%	50.00	-
8.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series I Tranche II. Date of maturity - 03/01/2025	8.25%	-	225.72
8.85% Secured Rated Listed Redeemable Non Convertible Debentures. Series I Tranche I Date of maturity 26/12/2026.	8.85%	274.50	-
10.05% Secured Rated Listed Redeemable Non Convertible Debenture. Series C13. Date of maturity - 20/03/2026	10.05%	-	15.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D8. Date of maturity - 31/03/2026	8.50%	280.00	280.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D9. Date of maturity - 22/05/2026	8.50%	320.00	320.00
8.20% Secured Rated Listed Redeemable Non Convertible Debentures. Series D7. Date of maturity - 28/09/2026	8.20%	112.00	112.00
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II. Date of maturity - 03/01/2027	8.20%	52.65	52.65
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II. Date of maturity - 03/01/2027	8.50%	13.60	13.60

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Particulars	Coupon	As at	
		March 31, 2025	March 31, 2024
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2027	8.36%	273.33	273.33
8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series III Tranche I Date of maturity 26/12/2027	8.65%	9.72	-
8.62% Secured Rated Listed Redeemable Non Convertible Debentures. Series D4. Date of maturity - 12/03/2028	8.62%	19.00	19.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity - 15/08/2028	8.36%	273.33	273.33
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II. Date of maturity - 03/01/2029	8.43%	53.74	53.74
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II. Date of maturity - 03/01/2029	8.75%	22.18	22.18
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D5. Date of maturity - 16/04/2029	8.70%	36.00	36.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2029	8.36%	273.33	273.33
9.18% Secured Rated Listed Redeemable Non Convertible Debentures. Series C15. Date of maturity - 03/10/2029	9.18%	300.00	300.00
8.59% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD I. Date of maturity - 25/02/2030	8.59%	309.50	371.40
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D6. Date of maturity - 14/05/2030	8.70%	109.00	109.00
8.69% Secured Rated Listed Redeemable Non Convertible Debentures. Series. Series D2. Date of maturity - 12/11/2030	8.69%	300.00	300.00
5.00% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD II. Date of maturity - 28/02/2031	5.00%	68.95	74.70
9.25% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series IX Tranche I Date of maturity 26/12/2031	9.25%	4.63	-
8.9% Secured Rated Listed Redeemable Non Convertible Debentures. Series VI Tranche I Date of maturity 26/12/2029	8.90%	15.22	-
9% Secured Rated Listed Redeemable Non Convertible Debenture Series IV Tranche I Date of maturity 26/12/2027	9.00%	44.19	-
9.18% Secured Rated Listed Redeemable Non Convertible Debenture Series K1 Date of maturity 06/02/2028	9.18%	250.00	-
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series. D3. Date of maturity - 11/02/2028	8.60%	18.00	18.00
9.25% Secured Rated Listed Redeemable Non Convertible Debentures. Series VII Tranche I Date of maturity 26/12/2029	9.25%	16.20	-
Total		3,749.07	3,142.98

Note: Statement showing contractual principal outstanding of Secured Non Convertible Debentures.

Note 16.2(b) - Security wise details of Secured Zero Coupon Bond

Particulars	Yield	As at	
		March 31, 2025	March 31, 2024
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche I Date of maturity 26/12/2027	9.00%	5.64	-
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche I Date of maturity 26/12/2029	9.25%	3.07	-
G- Sec Linked Secured Rated Listed Principal Protected Redeemable Non Convertible Debentures. Series C 12. Date of maturity - 25/04/2024	9.12%	-	51.30



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)			
Particulars	Yield	As at March 31, 2025	As at March 31, 2024
G- Sec Linked Secured Rated Unlisted Principal Protected Redeemable Non Convertible Debentures. Series C 14. Date of maturity - 27/06/2024	10.30%	-	20.00
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche II. Date of maturity - 03/01/2025	8.25%	-	26.73
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II. Date of maturity - 03/01/2027	8.50%	4.25	4.25
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II. Date of maturity - 03/01/2029	8.75%	5.53	5.53
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche I. Date Of Maturity 26/12/2026	8.85%	7.18	-
Total		25.67	107.81

Note: Statement showing contractual principal outstanding of Secured Zero Coupon Bond

Note 16.2(c) - Instrument wise details of Commercial Paper

(₹ in Crores)			
Particulars	Discount Rate	As at March 31, 2025	As at March 31, 2024
8.75% Unsecured Commercial Paper 364 Days Date of Maturity July 02, 2025	8.75%	150.00	-
8.60% Unsecured Commercial Paper 242 Days Date of Maturity May 30, 2025	8.75%	150.00	-
8.50% Unsecured Commercial Paper 272 Days Date of Maturity July 21, 2025	8.50%	100.00	-
9.05% Unsecured Commercial Paper 361 Days Date of Maturity January 31, 2025	9.05%	-	250.00
Total		400.00	250.00

Note 17. Borrowings (other than debt securities)

(₹ in Crores)		
Particulars	At Amortised Cost	
	As at March 31, 2025	As at March 31, 2024
Secured:		
(a) Term loans		
(i) from Banks (Refer Note (a), (b) and 17.1)	6,948.91	6,655.25
(ii) from National Housing Bank (NHB) (Refer Note (a), (b), (c) and 17.2)	5,477.88	4,791.48
(iii) from Financial Institution (Refer Note (b) and 17.3)	1,392.86	1,321.07
(b) Securitisation Liability (Refer Note 17.4)	482.92	145.27
(c) Cash credit / Overdraft from Banks (Refer Note (a), (b) and 17.4)	200.00	120.11
Total	14,502.57	13,033.18
Borrowings in India*	14,123.89	12,615.19
Borrowings outside India	378.68	417.99
Total	14,502.57	13,033.18

- a. Out of the total borrowing from Banks, borrowings amounting to ₹ 20.00 Crores (As at March 31, 2024 ₹ 20.00 Crores) and Refinance Facility from NHB amounting to ₹ 240.33 Crores (As at March 31, 2024 ₹ 390.32 Crores) are guaranteed by Holding Company i.e. IIFL Finance Limited.
- b. The term loans from banks, Financial Institution and NHB and cash credits from banks are secured by way of first pari passu charge by way of hypothecation on receivables of the Company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in Favor of certain existing charge holders. Further, borrowings from Financial Institution amounting to ₹ 378.68 Crores {before interest accrued but not due, exchange fluctuation and EIR adjustments} (As at March 31, 2024 ₹ 413.10) are secured by way of first priority exclusive charge on the identified receivables of the Group.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- c. Borrowings from NHB includes ₹ 5,248.17 Crores (As at March 31, 2024 ₹ 4,401.16 Crores) secured by way of first exclusive charge on unencumbered individual housing loan portfolio in Favor of NHB.

* This includes FCNB borrowings amounting to ₹ 1,747.41 Crores (As at March 31, 2024 ₹ 1,106.17 Crores.).

Note 17.1 - Terms of repayment of Term Loans from Banks

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	1,253.21	8.38% - 9.55%	906.87	8.49% - 9.30%
3- 5 Years	1,805.75	8.38% - 9.55%	1,695.43	8.49% - 9.55%
1-3 Years	2,424.22	8.14% - 9.55%	2,520.42	8.39% - 9.55%
Less than 1 year	1,465.73	8.14% - 9.55%	1,532.53	8.39% - 9.55%
Total	6,948.91		6,655.25	

Note 17.2 - Terms of repayment of term loans from NHB

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Fixed:				
More than 5 years	354.00	5.26% - 8.19%	1,147.60	2.80% - 8.50%
3- 5 Years	505.79	2.80% - 9.00%	1,073.23	2.80% - 8.50%
1-3 Years	691.14	2.80% - 9.00%	1,261.96	2.80% - 9.00%
Less than 1 year	279.52	2.80% - 9.00%	654.92	2.80% - 9.00%
Total	1,830.45		4,137.71	
Floating:				
More than 5 years	1,384.11	8.25% - 8.50%	288.10	8.10% - 8.35%
3- 5 Years	888.56	8.25% - 8.60%	153.96	8.10% - 8.35%
1-3 Years	985.02	8.25% - 8.60%	153.97	8.10% - 8.35%
Less than 1 year	389.74	7.07% - 8.60%	57.74	8.10% - 8.35%
Total	3,647.43		653.77	
Total	5,477.88		4,791.48	

Note 17.3 - Terms of repayment of term loans from Financial Institution

(₹ in Crores)				
Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	149.18	5.84% - 5.84%	311.12	9.10%
3- 5 Years	91.80	5.84% - 5.84%	235.41	9.10%
1-3 Years	91.80	5.84% - 5.84%	254.19	9.10%
Less than 1 year	45.90	5.84% - 5.84%	102.36	9.10%
Sub-Total - Floating (A)	378.68		903.08	
Fixed:				
More than 5 years	263.93	9.10% - 9.25%	198.84	5.84%
3- 5 Years	245.24	9.10% - 9.25%	91.80	5.84%
1-3 Years	348.12	9.10% - 9.25%	91.80	5.84%
Less than 1 year	156.89	9.10% - 9.25%	35.55	5.84%
Sub-Total - Fixed (B)	1,014.18		417.99	
Total (A+B)	1,392.86		1,321.07	



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 17. 4 - Terms of repayment of other loans

(₹ in Crores)

Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
Cash credit / Overdraft from Banks (A)				
Less than 1 year	200.00	8.20% - 9.60%	120.11	8.80%
Securitisation Liability (B)				
More than 5 years	190.88	8.20% - 9.60%	112.80	8.10% - 9.35%
3- 5 Years	84.66	8.20% - 9.60%	13.22	8.10% - 9.35%
1-3 Years	126.84	8.20% - 9.60%	12.71	8.10% - 9.35%
Less than 1 year	80.54	8.20% - 9.60%	6.55	8.10% - 9.35%
Sub-Total - Securitisation Liability	482.92		145.28	
Total (A+B)	682.92		265.39	

Note 18. Subordinated liabilities

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2025	As at March 31, 2024
Non-convertible debentures - Unsecured	839.00	829.22
Zero Coupon Bonds - Unsecured	-	208.16
Total	839.00	1,037.38
Subordinated Liabilities in India	839.00	1,037.38
Subordinated Liabilities outside India	-	-
Total	839.00	1,037.38

Non Convertible Debentures – Unsecured includes redeemable non convertible debentures carrying call option of ₹ 10.00 Crores (callable from February 28, 2026), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025) [As at March 31, 2024 ₹ 10.00 Crores (callable from February 28, 2024), ₹ 126.52 Crores (callable from May 14, 2024), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025)].

Note 18.1 - Terms of repayment of Subordinated Liabilities

(₹ in Crores)

Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Rate of Interest	Amount	Rate of Interest
Non-convertible debentures - Unsecured				
More than 5 years	-	-	-	-
3- 5 Years	711.67	9.60% - 10.02%	803.69	8.85% - 10.02%
1-3 Years	85.00	8.85% - 9.05%	-	-
Less than 1 year	42.33	8.85% - 10.02%	25.53	8.85% - 10.02%
Total Non-convertible debentures - Unsecured	839.00		829.22	

(₹ in Crores)

Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	Amount	Yield	Amount	Yield
(b) Zero Coupon Bonds - Unsecured				
More than 5 years	-	-	-	-
3- 5 Years	-	-	208.16	9.40%
Total Zero Coupon Bonds - Unsecured	-		208.16	

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under RBI Directions for Housing Finance Companies for assessing capital adequacy. Based on the balance term to maturity As at March 31, 2024, 58% (As at March 31, 2024 78%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

Note 18.2(a) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)

Particulars	Coupon	As at March 31, 2025	As at March 31, 2024
8.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series U06. Date of maturity - 27/07/2027	8.85%	75.00	75.00
9.05% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U08. Date of maturity - 28/02/2028	9.05%	10.00	10.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U09. Date of maturity - 16/06/2028	9.85%	40.00	40.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U010. Date of maturity - 13/07/2028	9.85%	30.00	30.00
10.00% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series I. Date of maturity - 03/11/2028	10.00%	232.72	232.72
9.60% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series II. Date of maturity - 03/11/2028	9.60%	382.82	382.82
10.02% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series III. Date of maturity - 03/11/2028	10.02%	40.28	40.28
Total		810.82	810.82

Note: Statement showing contractual principal outstanding of Subordinated Non Convertible Debentures.

Note 18.2(b) - Security wise details of unsecured Zero Coupon Bond.

(₹ in Crores)

Particulars	Yield	As at March 31, 2025	As at March 31, 2024
Zero Coupon G-Sec Linked Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series Ua3. Date of maturity - 11/08/2028	9.40%	-	126.30
Total		-	126.30

Note: Statement showing contractual principal outstanding of unsecured zero coupon bond.

Note 19. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Book overdraft*	823.89	952.02
Unclaimed interest and redemption proceeds of NCDs**	4.54	4.61
Other payables#	135.70	95.55
Accrued Salaries & Benefits	1.73	2.32
Total	965.86	1,054.50

* Book overdraft represents cheque issued towards disbursement to borrowers but not presented to banks.

** As required under Section 125 of the Companies Act, 2013, the Company, during the year, has transferred ₹ 0.09 Crores. (as at March 31, 2024 ₹ 0.08 Crores.) to the Investor Education and Protection Fund (IEPF). As of March 31, 2025, ₹ 0.01 Crores. (as at March 31, 2024 ₹ 0.00 Crores) is due for transfer to the IEPF which will be transferred within the stipulated timelines.

Primarily includes liability towards assignment payable of ₹ 123.04 Crores. (as at March 31, 2024 ₹ 90.11 Crores).



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 20. Provisions

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for Employee Benefits		
- Provision for Leave Encashment	12.86	10.91
- Provision for Gratuity (Refer 31.2)	8.34	3.94
- Provision for Bonus	12.03	16.19
Total	33.23	31.04

Note 21. Other Non Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory remittances	16.02	16.18
Unspent CSR (Refer note no 37)	17.21	6.90
Advances from borrowers	101.66	76.96
Total	134.89	100.04

Note 22. Equity share capital

(a) Authorised, Issued, Subscribed and fully paid up share capital

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
15,20,00,000 Equity Shares of ₹10/- each with voting rights (as at March 31, 2024 - 15,20,00,000)	152.00	152.00
2,00,00,000 Preference Shares of ₹10/- each (as at March 31, 2024 - 2,00,00,000)	20.00	20.00
Total	172.00	172.00
Issued, Subscribed and Paid Up		
Equity Share Capital		
2,63,44,638 Equity Shares of ₹10/- each fully paid-up (as at March 31, 2024 - 2,63,44,638)	26.34	26.34
Total	26.34	26.34

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

(₹ in Crores)

Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,63,44,638	26.34	2,63,44,638	26.34
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	2,63,44,638	26.34	2,63,44,638	26.34

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(d) Details of shareholders holding more than 5% shares in the Company:

Residual Maturity	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of 10 each fully paid				
IIFL Finance Limited (holding company) and its nominees	2,09,68,181	79.59%	2,09,68,181	79.59%
Platinum Owl C 2018 RSC Limited	53,76,457	20.41%	53,76,457	20.41%

(e) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares held by Promoters

Particulars	Promoter Name	No of Shares*	% of total shares	% Change during the year
As at March 31, 2025	IIFL Finance Limited	2,09,68,181	79.59%	-
As at March 31, 2024	IIFL Finance Limited	2,09,68,181	79.59%	-

* Shares held by IIFL Finance Limited and its nominees. The shareholding of Nominee is 500 shares (As at March 31, 2024 500 shares).

(g) **Shares reserved for issue under options** - Refer note 31.3 for details of shares reserved for issue under employee stock option plan of the Company.

Note 23: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve		
Opening Balance	1.35	1.35
Add: Additions during the year	-	-
Closing Balance	1.35	1.35
Securities Premium Reserve		
Opening Balance	2,969.65	2,969.65
Add: Additions during the year	-	-
less: Share issue expenses	-	-
Closing Balance	2,969.65	2,969.65
General Reserve		
Opening Balance	143.86	143.86
Add: Additions during the year	-	-
Closing Balance	143.86	143.86
Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening Balance	766.47	561.07
Add: Transfer from retained earnings	200.00	205.40
Closing Balance	966.47	766.47
Retained Earnings - remeasurement of defined benefit		
Opening Balance	(1.63)	(1.02)
Other comprehensive income for the year	(0.69)	(0.61)
Closing Balance	(2.32)	(1.63)
Retained Earnings - other than remeasurement of defined benefit		
Opening Balance	2,504.45	1,838.20
Add: Profit for the year	976.50	1,016.55
Less: Equity dividend	-	(144.90)
Less: Transfer to special reserve	(200.00)	(205.40)
Closing Balance	3,280.95	2,504.45



Notes forming part of Consoloidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Share Option Outstanding Account		
Opening Balance	19.77	-
Add: Addition during the year	57.92	19.77
Closing Balance	77.69	19.77
Effective portion of Cash Flow Hedges		
Opening Balance	(0.13)	5.57
Add: Other comprehensive income / (loss)	(4.82)	(5.70)
Closing Balance	(4.95)	(0.13)
Fair value of loans carried at FVTOCI		
Opening Balance	7.90	9.09
Add: Other comprehensive income/ (loss)	(4.49)	(1.19)
Closing Balance	3.41	7.90
Total	7,436.11	6,411.71

Note 23.1 Nature and purpose of reserve

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve

The Group created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987

As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit 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.

Retained Earnings - remeasurement of defined benefit

The Group recognises change on account of remeasurement of the net defined benefit liability / asset as part of retained earnings.

Retained Earnings - other than remeasurement of defined benefit

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Share Option Outstanding Account

The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Group.

Effective portion of Cash Flow Hedges

The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

Fair value of loans carried at FVTOCI

The amount represents cumulative gains/(losses) arising on account of fair valuation of pools of loans that are accounted / measured subsequently at fair value through other comprehensive income basis the business model.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 24. Interest Income

(₹ in Crores)				
Particulars	For the year ended March 31, 2025			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	383.15	2,814.83	18.42	3,216.40
Interest income from investments	-	6.61	24.39	31.00
Interest on inter corporate deposits	-	6.37	-	6.37
Interest on deposits with Banks*	-	33.01	-	33.01
Total	383.15	2,860.82	42.81	3,286.78

*Includes interest income on security deposits and surplus received out of unspent CSR account.

(₹ in Crores)				
Particulars	For the year ended March 31, 2024			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	341.87	2,418.82	23.67	2,784.36
Interest income from investments	-	34.58	19.95	54.53
Interest on inter corporate deposits	-	42.18	-	42.18
Interest on deposits with Banks*	-	41.22	-	41.22
Total	341.87	2,536.80	43.62	2,922.29

*Includes interest income on security deposits.

Note 25. Fees and Commission Income

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fees & Other Charges*	114.17	93.73
Insurance & Distribution Commission	171.65	100.53
Total	285.82	194.26

* Includes fee and charges in the nature of service fee, foreclosure, Incentive fee income etc.

Note 26. Net gain on Fair Value Changes

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Gain /(loss) on financial instruments at FVTPL		
On trading portfolio		
- Investments	15.38	25.76
- Others	-	(21.29)
Total Net gain on fair value changes	15.38	4.47
Fair Value changes:		
- Realised	13.38	(1.83)
- Unrealised	2.00	6.30
Total Net gain on fair value changes	15.38	4.47

Note 27. Net gain/(loss) on derecognition of financial instruments under FVTOCI

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assignment of loans (Net of reversal on old assignment deals)	118.80	(1.03)
Total	118.80	(1.03)



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 28. Other Income

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Marketing, advertisement and support service fees	8.66	195.74
Total	8.66	195.74

Note 29. Finance Costs

(₹ in Crores)		
Particulars	On Financial liabilities measured at Amortised Cost	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings (other than debt securities)	1,071.25	940.12
Interest on debt securities	320.14	258.92
Interest on subordinated liabilities	84.40	97.97
Other interest expense		
Interest on lease liabilities	7.42	5.89
Other borrowing cost	29.24	27.46
Total	1,512.45	1,330.36

Statement showing exchange fluctuation on account of foreign currency borrowings:

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revaluation Gain/(Loss) on Foreign currency loan	(7.17)	(48.52)
Recognised in Other Comprehensive Income	7.17	48.52
Recognised in Statement of Profit and Loss	-	-

Note 30. Impairment on Financial Instruments

(₹ in Crores)			
Particulars	For the year ended March 31, 2025		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	8.34	53.56	61.90
Receivables	-	0.06	0.06
Investments	-	(0.10)	(0.10)
Bad debts written off (Net of recovery)	-	209.62	209.62
Interest strip asset on assignment	-	2.88	2.88
Total	8.34	266.02	274.36

(₹ in Crores)			
Particulars	For the year ended March 31, 2024		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(7.84)	(115.21)	(123.05)
Receivables	-	(6.43)	(6.43)
Investments	-	1.00	1.00
Bad debts written off (Net of recovery)	-	245.12	245.12
Total	(7.84)	124.48	116.64

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 31. Employee Benefits Expenses

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages	353.28	318.31
Contribution to provident and other funds (Refer Note 31.1)	15.31	13.92
Leave Encashment	5.30	4.98
Gratuity (Refer Note 31.2)	3.55	2.43
Staff welfare expenses#	21.57	9.04
Share Based Payments to employees (Refer Note 31.3)	57.92	19.77
Total	456.93	368.45

#The Group company i.e. IIFL Finance Limited have granted stock options to its employees as well as employees of the Company. Pursuant to the scheme, the Company has reimbursed the group companies ₹ 0.04 Crores. (for year ended March 31, 2024 ₹ 1.33 Crores), on account of such costs and the same is forming part of Employee benefit expenses.

Note: The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the code becomes effective and related rules are published.

31.1 Defined Contribution Plans:

The Group makes provident fund contributions to recognised provident fund for employees. The group has recognised charges of ₹ 15.31 Crores (year ended March 31, 2024: ₹ 13.92 Crores) for Provident Fund contribution, Employee State Insurance Scheme (ESIC), Labour Welfare fund, Employee Pension Scheme (EPS) and National Pension Scheme (NPS) in the Statement of Profit and Loss.

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident fund	7.80	6.57
Contribution to ESIC	0.73	0.83
Contribution to Labour Welfare Fund	0.09	0.06
Group contribution to EPS	6.17	6.07
Group contribution to NPS	0.52	0.39
Total	15.31	13.92

The net amount of compensated absences of the Company's obligation is actuarially determined based on the projected unit credit method as at balance sheet date by actuarial valuation. Amount recognised in the statement of profit and loss for the year ended March 31, 2025 is as under :

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Compensated absences	5.30	4.98

31.2 Disclosures pursuant to IND AS 19 on 'Employee benefits':

Assumptions (Current Year)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expected Return on Plan Assets	6.92%	7.20%
Rate of Discounting	6.92%	7.20%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement Age for employees (in years)	60	60

Table Showing Change in the Present Value of Projected Benefit Obligations

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the Year	14.41	11.43
Interest Cost	1.01	0.85
Current Service Cost	2.97	2.38
Liability Transferred In/ Acquisitions	0.50	0.05
Liability Transferred Out/ Divestment	(0.12)	(0.00)
Benefit Paid From the Fund	(1.83)	(1.33)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.79	0.57
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.76	0.46
Present Value of Benefit Obligation at the End of the Year	18.49	14.41

Table Showing Change in the Fair Value of Plan Assets

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets at the Beginning of the Year	10.46	10.61
Interest Income	0.75	0.79
Contributions by the Employer	-	0.16
Benefit Paid from the Fund	(1.83)	(1.33)
Return on Plan Assets, Excluding Interest Income	0.25	0.23
Fair Value of Plan Assets at the End of the Year	9.63	10.46

Amount Recognised in the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Benefit Obligation at the end of the Year	18.49	14.41
Fair Value of Plan Assets at the end of the Year	9.63	10.46
Funded Status Surplus/ (Deficit)	(8.86)	(3.94)
Net (Liability)/Asset Recognised in the Balance Sheet	(8.86)	(3.94)

Net Interest Cost

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the Year	14.41	11.43
Fair Value of Plan Assets at the Beginning of the Year	(10.46)	(10.61)
Net Liability/(Asset) at the Beginning of the Year	3.94	0.82
Interest Cost	1.04	0.85
Interest Income	(0.76)	(0.79)
Net Interest Cost	0.28	0.06

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Expenses Recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	3.27	2.38
Net Interest Cost	0.28	0.06
Expenses Recognised	3.55	2.44

Expenses Recognised in the Other Comprehensive Income (OCI)

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (Gains)/Losses on Obligation for the year	1.16	1.04
Return on Plan Assets, Excluding Interest Income	(0.24)	(0.23)
Net (Income)/Expense For the Year Recognised in OCI	0.92	0.81

Balance Sheet Reconciliation

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Net Liability	3.94	0.82
Expenses Recognised in Statement of Profit and Loss	3.55	2.44
Expenses Recognised in OCI	0.92	0.81
Net Liability/(Asset) Transfer In	0.08	0.03
Net (Liability)/Asset Transfer Out*	(0.15)	(0.00)
Employer's Contribution	-	(0.16)
Net Liability/(Asset) Recognised in the Balance Sheet	8.34	3.94

*0.00 denotes amount less than ₹ Fifty thousands

Category of Assets

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance policy	9.63	10.46
Total	9.63	10.46

Other Details

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Prescribed Contribution For Next Year (12 Months)	11.14	6.75
Weighted Average Duration of Defined Benefit Obligation	18	24

Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.59	0.68
2nd Following Year	0.21	0.15
3rd Following Year	0.21	0.19



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
4th Following Year	0.23	0.19
5th Following Year	0.26	0.22
Sum of Years 6 To 10	2.81	1.93
Sum of Years 11 and above	61.40	51.89

Sensitivity Analysis

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Projected Benefit Obligation on Current Assumptions	17.97	14.41
Delta Effect of +1% Change in Rate of Discounting	(2.78)	(2.19)
Delta Effect of -1% Change in Rate of Discounting	3.04	2.43
Delta Effect of +1% Change in Rate of Salary Increase	2.51	1.93
Delta Effect of -1% Change in Rate of Salary Increase	(2.21)	(1.68)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.37)	(0.20)
Delta Effect of -1% Change in Rate of Employee Turnover	0.42	0.22

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Note 31.3. Employee Stock Option

The Group has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio. All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.[vesting ratio of 25:25:25:25].

ESOPs granted on April 01, 2024 are performance based grants which will vest to eligible employees as per performance rating in the company over the vesting period in a graded manner. The performance rating of employees will be measured every year and ESOPs will vest to employees who achieve the predefined performance rating for that year. Employees not qualifying for the performance based vesting in a particular year will be given an option to carry forward their unvested performance based ESOPs to the next financial year, in case the employee achieves the predefined performance rating in the next financial year, the unvested ESOPs of immediately preceding financial year shall stand vested.

As per ESOP Plan, the Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024
Grant Date	January 24, 2025	April 01, 2024	October 01, 2023
Option Price Model	Black Scholes	Black Scholes	Black Scholes
	Method	Method	Method
Exercise Price (in ₹)	1,338.00	1,338.00	1,338.00
Share Price on Grant Date (in ₹)	4,504.02	4,007.49	4,513.38
Expected Volatility	50%	50%	50%
Expected life of options (Years)	4	4	4
Risk-free rate of return	6.75%	7.18%	7.37%
Dividend Yield	0.74%	0.98%	0.86%
Fair Value of ESOP at Grant Date (in ₹)	3,414.08	2,923.78	3,423.18
Weighted Average remaining contractual life of the option (Years)	3.82	3.00	3.50
Weighted Average Fair Value of ESOP at Grant Date (in ₹)	2,938.82	2,923.78	3,423.18

Fair Value Methodology:

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year.

Table Showing options movement during year:

(in numbers)			
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Time based)	(Performance based)	(Time based)
Outstanding at the beginning of the year	2,38,628	-	-
Granted during the year	7,550	2,38,627	2,42,563
Forfeited during the year	22,145	18,294	3,935
Outstanding at the end of the year	2,24,033	2,20,333	2,38,628
Exercisable at the end of the year	57,973	-	-

Weighted-average exercise prices of options granted during the year is ₹ 1,338.00 /- option

Weighted average share price at the date of exercise date : N.A. as no ESOP exercise in year.

Table showing reconciliation of Share Options Outstanding Account:

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening ESOP Outstanding Reserve Balance	19.77	-
Expense Recognised/ (Reversed) during the year	57.92	19.77
Closing ESOP Outstanding Reserve Balance	77.69	19.77

Note: The Group has granted options in equal parts in two tranches (i) 50% on October 01, 2023 (time based); and (ii) 50% on April 01, 2024 (performance based) and will vest as specified in the Grant letter. Further, on January 24, 2025, additional 7,550 options have been granted under the existing scheme.

Note: The Group has granted 1,56,483 number of options to key managerial personnel during the year (year ended March 31, 2024 : 1,55,129 out of which 13,441 options have been lapsed (March 31, 2024 : NIL) on account of resignation of the grantee.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 32. Other Expenses

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Advertisement	11.92	12.73
Valuation & verification expenses	3.94	3.61
Marketing expenses	7.30	21.44
Bank charges	2.99	2.59
Communication	1.30	1.41
Electricity	3.31	2.48
Rating and custodian fees	2.81	2.20
Legal & professional fees	43.87	38.49
Commission & sitting fees	2.37	0.78
Miscellaneous expenses	1.65	1.21
Office expenses	13.06	10.79
Postage & courier	2.00	1.77
Printing & stationery	0.83	1.29
Rates & taxes	0.00	0.03
Rent	3.01	3.73
Repairs & maintenance	1.61	1.05
Payments to auditors*	2.41	1.91
Software charges	34.58	19.14
Security expenses	6.23	2.25
Travelling & conveyance	18.97	12.95
Corporate Social Responsibility (CSR) Expenses (Refer note 37)	20.93	17.59
Loss on sale of assets	0.00	0.03
Total	185.09	159.47

*Payments to auditors

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) As auditors - Audit Fees	0.70	0.72
Limited Reviews	1.06	0.72
b) For other services - Certification	2.64	0.25
c) For reimbursement of expenses	0.26	0.22
Total	4.66	1.91
Less: Amount paid towards certification required for public issue of Non Convertible Debentures which has been amortised using effective interest rate method over the tenure of the debenture	2.25	-
Total as per Statement of Profit and Loss	2.41	1.91

Note 33. Income taxes

33.1 Amounts recognised in the Statement of Profit and Loss

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense		
Current year	261.55	273.26
Adjustment of tax relating to earlier periods	(7.11)	(0.08)
Deferred tax expense		
Origination and reversal of temporary differences	24.07	24.62
Total	278.51	297.80

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

33.2 Amounts recognised in other comprehensive income

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Items that will not be reclassified to the Statement of Profit and Loss		
Remeasurement gain/ (loss) of defined benefit liabilities/(assets)	0.23	0.20
Items that will be reclassified to the Statement of Profit and Loss		
Net movement on effective portion of cash flow hedge	1.62	1.91
Fair value of loans carried at fair value through other comprehensive income	1.51	0.40
Total	3.36	2.51

33.3 Reconciliation of total tax expense

(₹ in Crores)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	1,255.01	1,314.35
Tax using the domestic tax rate (25.168%)	315.86	330.79
Tax effect of:		
Non-deductible expenses	6.30	5.16
Tax-exempt income (includes deduction u/s 80JJAA)	(37.01)	(38.91)
Income taxed at different rates	-	(1.02)
Adjustments for current tax for prior periods	(7.11)	(0.08)
De-Recognition of previously recognised deductible temporary differences	0.46	1.86
Total income tax expense	278.51	297.79

Note 34. Earnings Per Share:

Basic and Diluted Earnings per share ["EPS"] computed in accordance with Ind AS 33 "Earnings per share"
(₹ in Crores except per share data)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Nominal value of equity shares in ₹ fully paid up		10	10
BASIC			
Profit after tax as per Statement of Profit and Loss	A	976.50	1,016.55
Weighted Average Number of Equity Shares Outstanding	B	2,63,44,638	2,63,44,638
Basic EPS (In ₹)	A/B	370.66	385.87
DILUTED			
Weighted Average Number of Equity Shares for computation of basic EPS		2,63,44,638	2,63,44,638
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		3,24,972	83,933
Weighted Average Number of Equity shares for computation of diluted EPS	C	2,66,69,610	2,64,28,571
Diluted EPS (In ₹)	A/C	366.15	384.64

The basic earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares for the respective periods; whereas the diluted earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options.

Note 35. Capital / Other Commitments and Contingent Liabilities at the Balance Sheet date

A. Commitments:

- (a) As at the balance sheet date there were undrawn credit commitments of ₹ 2,724.41 Crores. (As at March 31, 2024 ₹ 3,262.11 Crores.);
- (b) Estimated amount of contracts remaining to be executed on capital account of ₹ 0.57 Crores (As at March 31, 2024 ₹ 0.54 Crores).



Notes forming part of Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd..)

B. Contingent Liabilities:

Claim against the Company not acknowledged as debt :

- In respect of legal cases : ₹ 0.06 Crores (As at March 31, 2024 ₹ 0.15 Crores)
- In respect of taxation matters :

(₹ in Crores)					
Particulars	Year to which demand pertains	Nature	Pending with Authority	As at March 31, 2025	As at March 31, 2024
Income Tax	FY 2019-20	Addition to Taxable Income	CIT(Appeals)	7.28	7.28
	FY 2017-18	Mismatches related to Input tax credit	Commissioner (Appeals)	0.76	-
	FY 2018-19	Mismatches related to Input tax credit	Jurisdictional Officer	-	0.20
Goods & Services Tax	FY 2019-20	Mismatches related to Input tax credit	Commissioner (Appeals)	0.19	-
	FY 2020-21	Mismatches related to Input tax credit	In process of filling appeal	1.32	-
	FY 2020-21 to FY 2022-23	Mismatches related to Output tax liability	Commissioner (Appeals)	14.97	-
Total				24.52	7.48

*The Group has deposited 0.05 crores (P.Y 0.04 Crores) against Goods and services tax demand of 0.95 Crores.

Bank guarantees :

Credit enhancement and Guarantee given for securitisation and assignment transactions amounting to ₹ 75.54 Crores and ₹ 23.34 Crores respectively (As at March 31, 2024 ₹ 79.91 Crores and ₹ 23.34 Crores).

Note 36. Disclosure as per Ind AS -108 “Operating Segments”

The Group’s main business is financing by way of loans for the purchase or construction of residential houses, Loans against property and construction of real estate and certain other purposes, in India. All other activities of the Group revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on ‘Operating Segments’. The Group has its operations within India and all revenue is generated within India.

Note 37. Corporate Social Responsibility

The Group was required to spend ₹ 20.62 Crores. (For the year ended March 31, 2024 ₹ 17.59 Crores) towards Corporate Social Responsibility (CSR) activities for the current financial year.

(₹ in Crores)			
Particulars	For the year ended March 31, 2025		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred#	6.11	14.82	20.93
(b) Shortfall at the end of the year*	-	14.82	14.82
(c) Total of previous years shortfall	4.39	2.51	6.90
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above (a)+(c)	10.50	17.33	27.83

includes the surplus arising out of CSR funds for the funds invested which is unspent as at March 31, 2025 amounting to ₹ 0.31 crores.

***Reason for Shortfall:** During the year ended March 31, 2025, the Group had contributed towards the ongoing projects which remained unspent as on March 31, 2025 resulting in a shortfall. The unspent amount has been transferred to a separate bank account in line with the statutory requirement which will be spent in the coming financial years.

Notes forming part of Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)			
Particulars	For the year ended March 31, 2024		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	11.96	5.63	17.59
(b) Shortfall at the end of the year*	-	5.63	5.63
(c) Total of previous years shortfall	3.93	1.27	5.20
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above (a)+(c)	15.89	6.90	22.79

***Reason for Shortfall:** During the year ended March 31, 2024, the Group had contributed towards the ongoing projects which remained unspent as on March 31, 2024 resulting in a shortfall. The unspent amount was then transferred to a separate Bank account.

37A.1 Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures (refer note 41A).

37A.2 The Company has undertaken CSR activities as per schedule VII of the Companies Act, 2013.

Note 38A. Additional Regulatory Information under MCA Notification dated March 24, 2021

a. Details of Benami Property held: There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. Additional information where borrowings are from banks or financial institutions:

- (i) The quarterly returns (revised, if any) and statements of current assets filed by the Company with banks or financial institutions for the quarter ended June 2024, September 2024 and December 2024 are in agreement with the books of accounts. Further for quarter ended March 2025 the group has filed the provisional return and statement which will be revised subsequently based on audited numbers;
- (ii) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

c. Wilful Defaulter: The Group has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

d. Relationship with Struck off Companies : During the year, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, except with the parties disclosed below:

(₹ in Crores)			
Particulars	Balance outstanding as at		Relationship with struck off Company
	March 31, 2025	March 31, 2024	
Loans and Advances:			
Jasmin Infraproject Company Private Limited	0.47	0.47	None
Sethi Housing India Private Limited#	-	-	None
Beauty Channel Salon & Spa Private Limited	1.41	1.42	None
Iconic Products India Pvt Ltd.	2.76	2.76	None
Vendor:			
Epicenter Technologies Pvt Ltd*	-	0.00	None

*0.00 denotes amount less than ₹ Fifty thousands. During the year ended March 31, 2025 the name of the Company has been removed from the struck off companies.

Outstanding amount as on March 31, 2025 has been written off in the books of accounts.

Note: The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- e. Registration of charges or satisfaction with Registrar of Companies (ROC):** In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.
- f. Compliance with number of layers of companies:** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- g. Compliance with approved Scheme(s) of Arrangements:** The Group has not entered into Scheme of Arrangement in terms of section 230 to 237 of the Company Act, 2013.
- h. Utilisation of Borrowed funds and share premium :**
- (ha)** No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (hb)** No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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;
- i. Undisclosed Income:** The Group does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- j. Details of Crypto Currency or Virtual Currency:** The Group has not traded or invested in Crypto currency or Virtual Currency.

Note 38B. On January 28, 2025, the Income Tax Department commenced a search under Section 132 of the Income Tax Act at the Company's registered office and certain residence of key management personnel of IIFL group. The search has been concluded and the Company has fully cooperated, provided necessary clarifications and information. As of the date of these financial statements, the Company has not received any communication from the Department regarding the outcome of the search. Accordingly, the potential financial impact, if any, arising from the search proceedings cannot be ascertained at this stage.

Note 39 Financial Instruments

Note 39 A. Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk comprising of interest rate risk, currency risk and price risk.

Risk management is integral to Group's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing.

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Group's growth and performance.

Financial Risk Management Structure

The Group has established multi-level risk governance for monitoring & control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee ("RMC") which is responsible for monitoring the overall risk process within the Group. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer ("CEO") with oversight of RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

excess liquidity. The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group has a risk framework constituting various lines of defence – the first line of defence consisting of the Management of the Group being responsible for seamless integration of risk principles across all businesses. Additionally, it ensures managerial & supervisory controls to ensure compliance and highlight inadequate processes and unexpected events.

Independent risk & policy team constitutes second life of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control & self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

The Group has defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Group.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

39 A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables.

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. The Group ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, an asset is reviewed at a frequency determined based on the risk it carries at the review date. For effective risk management, the Group monitors its portfolio, based on product, underlying security and credit risk characteristics.

39 A.1(I) Credit Risk Grading of loans and loss allowances

The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

The Group has initiated portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Group to standardize credit underwriting & improve sourcing quality in the long run.

The Group applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

The Group categorises loan assets into stages based on the Days Past Due status: -

Stage 1: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.

Stage 2: [31-90 days Past Due] The Group collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Group recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: [More than 90 days Past Due and other cases basis regulatory guidelines] The Group identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Additionally, the Group evaluates risk based on staging which are as follows:

(₹ in Crores)

Risk Categorisation	As at March 31, 2025	As at March 31, 2024
Stage 1*	23,995.17	21,965.40
Stage 2	1,639.64	1,178.78
Stage 3	455.39	340.92
Total	26,090.20	23,485.10

* Including CBLO amounting to ₹ 611.52 crores (as at March 31, 2024, Nil).

Financial Assets measured at Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on unsecured Inter Corporate Deposits to group companies, Trade Receivables, Investments and Other Financial Assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

39 A.1(III) Credit quality analysis

- (a). The following tables set out information about the credit quality of loans. Unless specifically indicated, for loans, the amounts in the table represent gross carrying amounts.

(₹ in Crores)

Particulars	As at March 31, 2025			
	Loans where loss allowance measured at 12-month ECL	Loans for which credit risk has increased significantly and credit not impaired	Loans for which credit risk has increased significantly and credit impaired	Total
Loans at FVTOCI	3,099.55	111.62	-	3,211.17
Loans at amortised cost	20,284.10	1,528.01	455.39	22,267.50
Loans at FVTPL	611.52	-	-	611.52

(₹ in Crores)

Particulars	As at March 31, 2024			
	Loans where loss allowance measured at 12-month ECL	Loans for which credit risk has increased significantly and credit not impaired	Loans for which credit risk has increased significantly and credit impaired	Total
Loans at FVTOCI	3,827.04	1.28	-	3,828.32
Loans at amortised cost	18,138.36	1,177.50	340.92	19,656.78

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

- (b). The following tables show reconciliations from the opening to the closing balance of the Exposure At Default (EAD) and Expected Credit Loss (ECL) by class of financial instrument.

Loans and advances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding#	Unfunded exposure/ Interest Accrued*
Closing EAD as at March 31, 2024	21,810.72	3,346.49	1,128.69	86.19	342.88	(2.70)	23,282.29	3,429.98
New Loans Disbursed during the year	9,223.26	1,482.14	-	-	-	-	9,223.26	1,482.14
Loan Derecognised / repaid in part or full	(6,749.64)	(1,924.88)	(211.99)	(7.09)	(69.28)	(53.58)	(7,030.91)	(1,985.56)
Loans written off (including settlement loss)	(56.09)	(12.70)	(59.64)	(9.36)	(145.18)	1.19	(260.91)	(20.87)
Movement in Stages								
From Stage 1	(1,220.27)	(133.16)	1,018.72	102.82	201.55	30.34	-	-
From Stage 2	221.06	17.27	(378.88)	(37.35)	157.82	20.08	-	-
From Stage 3	23.13	(0.14)	10.01	(0.04)	(33.14)	0.17	-	-
Closing EAD as at March 31, 2025	23,252.17	2,775.02	1,506.89	135.17	454.67	(4.50)	25,213.71	2,905.70

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 2,640.73 Crores (As at March 31, 2024 ₹ 3,227.17 Crores)

Excluding CBLO amounting to ₹ 611.52 crores.

Loans and advances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing EAD as at March 31, 2023	16,623.25	2,189.02	1,044.75	70.53	387.45	(1.39)	18,055.45	2,258.16
New Loans Disbursed during the year	11,746.48	2,353.75	91.57	6.78	9.85	(0.76)	11,847.90	2,359.77
Loan Derecognised / repaid in part or full	(5,990.67)	(1,146.90)	(212.53)	(5.14)	(139.82)	(22.08)	(6,343.02)	(1,174.11)
Loans written off (including settlement loss)	(177.34)	(7.35)	(22.21)	(6.97)	(78.49)	0.48	(278.04)	(13.84)
Movement in Stages								
From Stage 1	(778.18)	(64.91)	637.48	53.11	140.70	11.80	-	-
From Stage 2	336.22	23.08	(427.46)	(32.08)	91.24	9.00	-	-
From Stage 3	50.96	(0.21)	17.09	(0.04)	(68.05)	0.25	-	-
Closing EAD as at March 31, 2024	21,810.72	3,346.49	1,128.69	86.19	342.88	(2.70)	23,282.29	3,429.98

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 3,227.17 Crores (As at March 31, 2023 ₹ 2,098.41 Crores)



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Loss Allowances

(₹ in Crores)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing ECL as at March 31, 2024	109.06	16.65	116.42	20.24	102.71	73.02	328.19	109.91
New Loans Disbursed during the year	44.01	8.18	-	-	-	-	44.01	8.18
Loan Derecognised / repaid in part or full	(38.48)	(8.59)	41.96	17.53	89.46	(77.58)	92.92	(68.66)
Loans written off (including settlement loss)	(2.16)	(0.17)	(14.79)	(3.05)	(61.50)	-	(78.45)	(3.22)
Movement in Stages								
From Stage 1	(13.73)	(1.81)	11.36	1.37	2.37	0.44	-	-
From Stage 2	20.29	3.48	(42.55)	(7.61)	22.26	4.13	-	-
From Stage 3	7.11	-	3.00	-	(10.11)	-	-	-
Closing ECL as at March 31, 2025	126.10	17.74	115.40	28.48	145.19	0.01	386.68	46.22

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 10.99 Crores (As at March 31, 2024 ₹ 13.89 Crores).

(₹ in Crores)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Unfunded exposure/ Interest Accrued*	Principal Outstanding	Interest Accrued	Principal Outstanding	Unfunded exposure/ Interest Accrued*
Closing ECL as at March 31, 2023	243.90	20.53	112.81	7.27	103.63	72.99	460.34	100.79
New Loans Disbursed during the year	40.48	9.69	11.19	2.81	2.73	-	54.40	12.50
Loan Derecognised / repaid in part or full	(169.12)	(14.01)	27.92	13.29	52.14	(1.30)	(89.06)	(2.03)
Loans written off (including settlement loss)	(33.25)	(0.63)	(12.83)	(0.72)	(51.40)	-	(97.48)	(1.35)
Movement in Stages								
From Stage 1	(16.52)	(0.75)	13.20	0.60	3.32	0.15	-	-
From Stage 2	30.24	1.83	(40.25)	(3.01)	10.01	1.18	-	-
From Stage 3	13.33	-	4.38	-	(17.71)	-	-	-
Closing ECL as at March 31, 2024	109.06	16.65	116.42	20.24	102.71	73.02	328.19	109.91

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 13.89 Crores (As at March 31, 2023 ₹ 18.88 Crores).

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.1(III) Concentrations of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Group does not have concentration risk.

The Group's loan outstanding from borrowers residing across 5 various states of India is 52% (As at March 31 2024: 57%)

39 A.1(IV) Contractual amount outstanding on financial assets that were written off during the reporting year

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Write off (net of recoveries)	209.62	245.12

39 A.1(V) Collateral held

The Group is in the business of extending secured loans backed by mortgage of property (residential or commercial). This also includes cross-collateralisation on other property(ies) of the borrower. The Group assesses and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Group also requests for additional collateral(s).

In normal course of business, the Group does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt.

Refer Note No. 7 for secured and unsecured loans.

39 A.1(VI) Modified financial assets

For financial assets, such as a loan to a customer, where the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amortised Cost of Modified Assets at the time of modification during the year	-	-
Modification (Gain)/Loss for modification during the year	-	-

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount of Modified financial assets	219.96	311.04

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification "Resolution Framework for COVID-19-related Stress".



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.2 Liquidity Risk

Liquidity risk refers to the risk that the Group may not be able to meet its short-term financial obligations. The Group manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. Further, The Group has defined Asset Liability Management (ALM) Framework with an organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Group seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2025	Total	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	16.23	-	-	16.23	-	-	-
Trade Payables	61.81	61.81	-	-	-	-	-
Lease liabilities*	132.02	7.42	7.24	14.29	45.41	23.47	34.19
Debt Securities	4,232.72	796.86	295.40	307.65	1,358.52	1,297.20	177.09
Borrowings (Other than Debt Securities)	14,502.57	476.70	650.82	1,369.62	4,836.20	3,572.72	3,596.51
Subordinated Liabilities	839.00	3.28	22.16	0.08	-	101.82	711.66
Other financial liabilities	965.86	958.81	-	-	7.05	-	-

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2024	Total	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	2.61	-	-	2.61	-	-	-
Trade Payables	68.77	68.77	-	-	-	-	-
Lease liabilities*	73.07	6.98	6.90	13.20	24.85	10.10	11.04
Debt Securities	3,613.04	156.24	47.97	566.96	945.16	963.02	933.69
Borrowings (Other than Debt Securities)	13,033.18	569.24	666.31	1,274.21	4,295.05	3,263.05	2,965.32
Subordinated Liabilities	1,037.38	3.28	22.16	0.08	-	1,011.86	-
Other financial liabilities	1,054.50	1,054.50	-	-	-	-	-

*Contractual maturities of lease liabilities are on undiscounted basis.

(ii) Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at March 31, 2024	Cash flows	Others*	As at March 31, 2025
Debt Securities (Including subordinated liabilities)	4,650.42	547.65	(126.35)	5,071.72
Borrowings (Other than Debt Securities)	13,033.18	1,482.16	(12.77)	14,502.57
Total Liabilities from Financial Activities	17,683.60	2,029.81	(139.12)	19,574.29

(₹ in Crores)

Particulars	As at March 31, 2023	Cash flows	Others*	As at March 31, 2024
Debt Securities (Including subordinated liabilities)	3,332.53	1,248.10	69.79	4,650.42
Borrowings (Other than Debt Securities)	11,620.67	1,456.20	(43.69)	13,033.18
Total Liabilities from Financial Activities	14,953.20	2,704.30	26.10	17,683.60

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, exchange differences and conversation factor of derivative instruments.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39 A.3 Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Group's exposure to market risk is primarily on account of interest rate risk, foreign exchange risk and price risk.

39 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The rise or fall in interest rates impact the Group's Net Interest Income.

Total Borrowings of the Group are as follows:

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Floating rate borrowings	11,657.94	8,477.49
Fixed rate borrowings	7,916.35	9,206.12
Total borrowings	19,574.29	17,683.61

As at the end of the reporting year, the Group had the following floating rate borrowings:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans, bank overdrafts and Securitisation Liability	8.94%	11,657.94	59.56%	9.01%	8,477.49	47.94%
Net exposure to cash flow interest rate risk		11,657.94	59.56%		8,477.49	47.94%

As at the end of the reporting year, the Group had the following cross currency interest rate swap contracts/ forward contracts outstanding:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cross Currency Interest Rate Swaps and Forward Contracts	7.61%	2,140.75	10.94%	7.74%	1,523.99	8.62%

The Group had following floating rate loans and advances outstanding:

(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Loans and advances*	12.33%	25,478.69	100.00%	12.65%	23,485.10	100.00%

*Certain loans disbursed by Company carry a fix rate of interest only for an initial short tenure of the loan(not more than 3 years), however, all loans granted are considered to be floating rate loans.



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in Crores)

Particulars	Impact on profit after tax and equity		Impact on other components of equity	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 30 basis points (30 bps) *	(26.17]	(19.03]	-	-
Interest rates – decrease by 30 basis points (30 bps) *	26.17	19.03	-	-

* Holding all other variables constant

Profit or loss is sensitive to higher/lower interest income from loans and advances as a result of changes in interest rates.

(₹ in Crores)

Particulars	Impact on profit after tax and equity	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 30 basis points (30 bps) *	57.20	52.72
Interest rates – decrease by 30 basis points (30 bps) *	(57.20]	(52.72]

* Holding all other variables constant

39 A.3(II) Exposure to currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group’s exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB).

In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures, the Group’s central treasury department identifies, evaluates and hedges financial risks in close co- operation with the Group’s operating units

The Group follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Cross Currency Interest Rate Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group’s profit before tax (PBT) and equity.

(₹ in Crores)

Particulars	Amount Outstanding	
	In INR	In USD
Borrowing as on March 31, 2025	2,140.75	24.85
Borrowing as on March 31, 2024	1,523.99	18.16

Since the Group has entered into derivative transaction to hedge this borrowing, the Group is not exposed to any currency risk on this borrowing.

39 A.3(III) Price Risk

The Group’s investments carry a risk of change in prices. To manage its price risk arising from investments, the Group periodically monitors the performance of the investee. The Group’s exposure to assets having price risk is insignificant.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

39.B Capital Management

For the purpose of the Group’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group’s capital management is to maximise the shareholder value.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Debt (₹ in Crores)	19,574.28	17,683.60
Total Equity (₹ in Crores)	7,462.45	6,438.05
Total Debt to Equity Ratio (times)	2.62	2.75

Total Debt includes debt securities, borrowings (Other than debt securities) and subordinated liabilities.

Total Equity includes equity share capital and other equity.

39.B.1 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Group evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Group makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments and the significant valuation judgements in respect of Level 3 instruments.

The tables shown subsequently in Note 39.B.2 is disclosing the fair value of all instruments measured at fair value through profit or loss or fair value through OCI or amortized cost. With respect to Bank balances and cash and cash equivalents, Trade receivables, Other financial assets, Trade payables, Lease liabilities and Other financial liabilities, the carrying value approximates the fair value.

The following table shows an analysis of financial instruments:

(₹ in Crores)

Particulars	As at March 31, 2025			
	FVTPL	FVTOCI	Amortised cost / Cost	Total
Financial assets				
Cash and cash equivalents	-	-	879.12	879.12
Bank Balance other than cash and cash equivalents	-	-	598.57	598.57
Receivables				
(i) Trade Receivables	-	-	54.58	54.58
Loans	611.52	3,185.36	21,860.42	25,657.30
Investments	287.84	-	67.59	355.43
Other Financial assets	-	-	610.01	610.01
Total financial assets	899.36	3,185.36	24,070.29	28,155.01
Financial liabilities				
Derivative financial instruments	-	16.23	-	16.23
Trade Payables	-	-	61.81	61.81
Lease liabilities	-	-	102.81	102.81
Debt Securities	-	-	4,232.72	4,232.72
Borrowings (Other than Debt Securities)	-	-	14,502.57	14,502.57
Subordinated Liabilities	-	-	839.00	839.00
Other financial liabilities	-	-	965.86	965.86
Total financial liabilities	-	16.23	20,704.77	20,721.00



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2024			
	FVTPL	FVTOCI	Amortised cost / Cost	Total
Financial assets				
Cash and cash equivalents	-	-	781.71	781.71
Bank Balance other than cash and cash equivalents	-	-	299.23	299.23
Receivables				
(i) Trade Receivables	-	-	48.18	48.18
Loans	-	3,810.85	19,303.25	23,114.10
Investments	401.60	-	180.48	582.08
Other Financial assets	-	-	488.50	488.50
Total financial assets	401.60	3,810.85	21,101.36	25,313.80
Financial liabilities				
Derivative financial instruments	-	2.61	-	2.61
Trade Payables	-	-	68.77	68.77
Lease liabilities	-	-	63.26	63.26
Debt Securities	-	-	3,613.04	3,613.04
Borrowings (Other than Debt Securities)	-	-	13,033.18	13,033.18
Subordinated Liabilities	-	-	1,037.38	1,037.38
Other financial liabilities	-	-	1,054.50	1,054.50
Total financial liabilities	-	2.61	18,870.13	18,872.74

39.B.2 Financial instruments measured at fair value – Fair value hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

As at March 31, 2025

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	3,185.36	3,185.36
Loans at FVTPL	611.52	-	-	611.52
Investments				
(i) Debt Securities, Government securities, equity instruments	262.84	-	25.00	287.84
Total financial assets	874.36	-	3,210.36	4,084.72
Financial liabilities				
Foreign exchange forward contracts and Cross Currency	-	16.23	-	16.23
Interest Rate Swaps	-	-	-	-
Total financial liabilities	-	16.23	-	16.23

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

As at March 31, 2024

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	3,810.85	3,810.85
Investments				
(i) Debt Securities, Security Receipts and G-Sec	401.60	-	-	401.60
Total financial assets	401.60	-	3,810.85	4,212.45
Financial liabilities				
Foreign exchange forward contracts and Cross Currency	-	2.61	-	2.61
Interest Rate Swaps	-	-	-	-
Total financial liabilities	-	2.61	-	2.61

Valuation technique used to determine fair value

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

As at March 31, 2025

(₹ in Crores)

Assets and liabilities which are measured at amortised cost / cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	21,860.19	21,860.42	Level 3
Investments			
(i) In other securities*	67.59	67.59	Level 3
Total financial assets	21,927.78	21,928.01	
Financial Liabilities			
Debt Securities	4,190.39	4,232.72	Level 3
Borrowings (Other than Debt Securities)	14,502.57	14,502.57	Level 3
Subordinated Liabilities	821.32	839.00	Level 3
Total financial liabilities	19,514.28	19,574.29	

As at March 31, 2024

(₹ in Crores)

Assets and liabilities which are measured at amortised cost / cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	19,301.38	19,303.25	Level 3
Investments			
(i) In other securities*	181.58	180.48	Level 1 /Level 3
Total financial assets	19,482.96	19,483.73	
Financial Liabilities			
Debt Securities	3,479.24	3,613.04	Level 3
Borrowings (Other than Debt Securities)	13,033.18	13,033.18	Level 3
Subordinated Liabilities	1,029.13	1,037.38	Level 3
Total financial liabilities	17,541.56	17,683.61	

*Investments are measured at amortised Cost, the fair value for these investments is determined using Level 3 inputs as disclosed in note no. 8.



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only.

- (i) Loans:** The cash flows at the fixed rate were discounted to present value at the applicable internal benchmark rates. This value, as estimated, was discounted to present value at the applicable rates to determine their fair value. The fair value of floating rate loans are deemed to be equivalent to the carrying value.
- (ii) Investments in Other securities:** Other Securities (e.g. certificate of deposits, commercial papers, etc.) are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 1 and or Level 3.
- (iii) Debt Securities and Subordinated Liabilities:** The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.
- (iv) Borrowings (Other than Debt Securities) :** The fair value of Borrowings (Other than Debt Securities) are deemed to be equivalent to the carrying value.
- (v) Financial assets and liabilities:** For financial assets and financial liabilities that have a short-term nature and long term financial assets and liabilities having floating rate structure, carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, lease liabilities, other financial assets & liabilities.

39.B.3 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value.

(₹ in Crores)		
Particulars	Loans - FVTOCI	
	As at March 31, 2025	As at March 31, 2024
Opening Balance	3,810.85	2,829.19
Loans derecognised during the year	(3,085.28)	(2,485.19)
Loan Originated (net)	2,459.80	3,466.85
Closing Balance	3,185.36	3,810.85

(₹ in Crores)		
Particulars	Investments	
	As at March 31, 2025	As at March 31, 2024
Opening Balance	-	-
Amount invested during the year	25.00	-
Amount redeemed during the year	-	-
Closing Balance	25.00	-

40.1 Transferred financial assets that are derecognised in their entirety

During the year, the Company has sold some loans and advances as per assignment and asset reconstruction (ARC) deals, as a source of finance. As per the terms of deals, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The management has evaluated the impact of the assignment and asset reconstruction transactions done during the year for its business model. Based on the future business plans, the Company's business model remains to hold the assets for collecting contractual cash flows.

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

The table below summarises the carrying amount of the derecognised financial assets and the gain/(loss) on derecognition:
(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Carrying amount of derecognised financial assets under FVTOCI	3,085.28	2,485.19
Carrying amount of derecognised financial assets under amortised cost	61.12	-
Gain from derecognition of financial assets under FVTOCI	214.10	177.77
Loss from derecognition of financial assets under amortised cost (after considering ECL)	(11.70)	-

40.2 Transferred financial assets that are not derecognised in their entirety:

The Company uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in Crores)		
Securitisations	As at March 31, 2025	As at March 31, 2024
Carrying amount of transferred assets measured at amortised cost	501.45	144.99
Carrying amount of associated liabilities	482.92	145.28
Fair value of assets	501.45	144.99
Fair value of associated liabilities	482.92	145.28

41. Related Party Disclosures as per Ind AS – 24 “Related Party Disclosure” for the year ended March 31, 2025

Nature of relationship	Name of Party
Holding company	IIFL Finance Limited
Fellow Subsidiaries	IIFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited)
	IIFL Open Fintech Private Limited
	IIFL Facilities Services Limited
	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)
Other Related Parties (Due to common Promoter)	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)
	Livlong Protection & Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited)
	5Paisa Capital Limited
	India Infoline Foundation
	360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited) (ceased w.e.f. July 11, 2024)
	360 One WAM Limited (Formerly known as IIFL Wealth Management Limited) (ceased w.e.f. July 11, 2024)
	Mr. Nirmal Jain - Non-Executive Director
	Mr. R Venkataraman - Non-Executive Director
	Mr. S. Sridhar - Chairman and Non-Executive Director
Key Management Personnel and other Directors	Mr. AK Purwar - Independent Director (ceased w.e.f. April 01, 2024)
	Mr. Kranti Sinha - Independent Director (ceased w.e.f. August 08, 2023)
	Ms. Mohua Mukherjee - Independent Director
	Mr. Mathew Joseph - Independent Director (w.e.f. October 31, 2023)
	Mr. Venkataramanan Anantharaman - Independent Director (w.e.f. February 21, 2023)
	Mr. Mohan Shekhar - Independent Director (w.e.f. June 30, 2024)
	Mr. Ramakrishnan Subramanian- Independent Director (w.e.f. April 01, 2024)
	Mr. Monu Ratra - Executive Director & CEO
	Mr. Kabir Mathur - Nominee Director (w.e.f. August 22, 2022)
	Mr. Ajay Jaiswal - Company Secretary / Director in IIFL Sales Limited
	Mr. Amit Gupta - Chief Financial Officer / Director in IIFL Sales Limited (up to October 17, 2023)



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Nature of relationship	Name of Party
	Mr. Gaurav Seth - Chief Financial Officer / Director in IIHFL Sales Limited (w.e.f. October 17, 2023 till February 11, 2025)
	Mr. Lokesh Goyal - Additional Director in IIHFL Sales (w.e.f. February 07, 2025)
	Ms. Rashmi Priya - Director in IIHFL Sales (ceased w.e.f. February 06, 2025)
	Mr. Sumit Jhunjhunwala- Chief Financial Officer (w.e.f. February 12, 2025) / Additional Director in IIHFL Sales Limited (w.e.f March 05, 2025)

Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosure has been made only when there have been transactions with those parties.

41 A. Significant transactions with related parties:

(₹ in Crores)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Interest Income					
IIFL Finance Limited	6.38	-	-	-	6.38
	(21.11)	(-)	(-)	(-)	(21.11)
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(8.81)	(-)	(8.81)
5paisa Capital Limited	-	-	-	-	-
	(-)	(-)	(6.75)	(-)	(6.75)
IIFL Samasta Finance Limited	-	-	-	-	-
	(-)	(5.51)	(-)	(-)	(5.51)
Interest Expense					
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(0.33)	(-)	(0.33)
360 One WAM Limited	-	-	-	-	-
	(-)	(-)	(0.11)	(-)	(0.11)
IIFL Management Services Limited	-	-	-	-	-
	(-)	(-)	(0.16)	(-)	(0.16)
Corporate Social Responsibility Expense (CSR)					
India Infoline Foundation	-	-	17.71	-	17.71
	(-)	(-)	(16.46)	(-)	(16.46)
CSR Unspent amount received /receivable back (Including surplus on unspent CSR amount)					
India Infoline Foundation	-	-	12.65	-	12.65
	(-)	(-)	(3.54)	(-)	(3.54)
Arranger fees Expense / Loan Sourcing Fee					
IIFL Capital Services Limited	-	-	0.84	-	0.84
	(-)	(-)	(0.84)	(-)	(0.84)
Commission/ Brokerage Expense					
IIFL Capital Services Limited	-	-	1.65	-	1.65
	(-)	(-)	(0.07)	(-)	(0.07)
Rent Expense					
IIFL Facilities Services Limited	-	-	2.71	-	2.71
	(-)	(-)	(3.53)	(-)	(3.53)
Remuneration and Compensation to KMP					
Mr. Monu Ratra - Remunerations	-	-	-	3.23	3.23
	(-)	(-)	(-)	(6.39)	(6.39)
Mr. Monu Ratra - Short Term Benefit (perquisites)	-	-	-	49.61	49.61
	(-)	(-)	(-)	(11.11)	(11.11)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Mr. Monu Ratra - Post Employment Benefit	-	-	-	0.03	0.03
	(-)	(-)	(-)	(0.02)	(0.02)
Mr. Gaurav Seth - Remunerations	-	-	-	1.65	1.65
	(-)	(-)	(-)	(1.39)	(1.39)
Mr. Gaurav Seth - Short Term Benefit (perquisites)	-	-	-	0.35	0.35
	(-)	(-)	(-)	(1.11)	(1.11)
Mr. Gaurav Seth - Post Employment Benefit	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Amit Gupta - Remunerations	-	-	-	-	-
	(-)	(-)	(-)	(0.47)	(0.47)
Mr. Amit Gupta - Short Term Benefit (perquisites)	-	-	-	-	-
	(-)	(-)	(-)	(0.05)	(0.05)
Mr. Amit Gupta - Post Employment Benefit	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Sumit Jhunjhunwala- Remunerations	-	-	-	0.08	0.08
	(-)	(-)	(-)	(-)	(-)
Mr. Sumit Jhunjhunwala - Short Term Benefit (perquisites)	-	-	-	0.09	0.09
	(-)	(-)	(-)	(-)	(-)
Mr. Sumit Jhunjhunwala - Post Employment Benefit	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)
Mr. Ajay Jaiswal - Remunerations	-	-	-	0.88	0.88
	(-)	(-)	(-)	(1.01)	(1.01)
Mr. Ajay Jaiswal - Short Term Benefit (perquisites)	-	-	-	2.31	2.31
	(-)	(-)	(-)	(0.57)	(0.57)
Mr. Ajay Jaiswal - Post Employment Benefit	-	-	-	0.01	0.01
	(-)	(-)	(-)	(0.01)	(0.01)
Short Term Benefits - Sitting Fees paid to Directors					
Mr. Kranti Sinha	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. S. Sridhar	-	-	-	0.14	0.14
	(-)	(-)	(-)	(0.12)	(0.12)
Mr. AK Purwar	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Mathew Joseph	-	-	-	0.12	0.12
	(-)	(-)	(-)	(0.02)	(0.02)
Mr. Venkataramanan Anantharaman	-	-	-	0.11	0.11
	(-)	(-)	(-)	(0.05)	(0.05)
Mr. Mohan Shekhar	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(-)
Mr. Ramakrishnan Subramanian	-	-	-	0.08	0.08
	(-)	(-)	(-)	(-)	(-)
Ms. Mohua Mukherjee	-	-	-	0.07	0.07
	(-)	(-)	(-)	(0.06)	(0.06)
Commission to Directors					
Mr. Kranti Sinha	-	-	-	0.04	0.04
	(-)	(-)	(-)	(0.13)	(0.13)



Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Mr. S. Sridhar	-	-	-	0.38	0.38
	(-)	(-)	(-)	(0.24)	(0.24)
Mr. Mathew Joseph	-	-	-	0.24	0.24
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Venkataramanan Anantharaman	-	-	-	0.30	0.30
	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Mohan Shekhar	-	-	-	0.15	0.15
	(-)	(-)	(-)	(-)	(-)
Mr. Ramakrishnan Subramanian	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(-)
Ms. Mohua Mukherjee	-	-	-	0.30	0.30
	(-)	(-)	(-)	(0.20)	(0.20)
Interim Dividend Payment					
IIFL Finance Limited (including nominees)	-	-	-	-	-
	(115.32)	(-)	(-)	(-)	(115.32)
ICD/Loan Given					
IIFL Finance Limited	800.00	-	-	-	800.00
	(1,450.00)	(-)	(-)	(-)	(1,450.00)
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(1,025.00)	(-)	(1,025.00)
5paisa Capital Limited	-	-	-	-	-
	(-)	(-)	(430.00)	(-)	(430.00)
IIFL Samasta Finance Limited	-	-	-	-	-
	(-)	(400.00)	(-)	(-)	(400.00)
ICD/Loan received back					
IIFL Finance Limited	800.00	-	-	-	800.00
	(1,450.00)	(-)	(-)	(-)	(1,450.00)
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(1,025.00)	(-)	(1,025.00)
5paisa Capital Limited	-	-	-	-	-
	(-)	(-)	(430.00)	(-)	(430.00)
IIFL Samasta Finance Limited	-	-	-	-	-
	(-)	(400.00)	(-)	(-)	(400.00)
Purchase of Investment					
IIFL Finance Limited	-	-	-	-	-
	(63.84)	(-)	(-)	(-)	(63.84)
Sale of Investment					
IIFL Finance Limited	109.50	-	-	-	109.50
	(2.38)	(-)	(-)	(-)	(2.38)
Security Deposit Received back					
IIFL Facilities Services Limited	-	-	1.18	-	1.18
	(-)	(-)	(-)	(-)	(-)
Security Deposit Paid					
IIFL Facilities Services Limited	-	-	-	-	-
	(-)	(-)	(0.98)	(-)	(0.98)
Net Interest Accrued					
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Management Services Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
360 One Prime Limited	-	-	-	-	-
	(-)	(-)	(0.07)	(-)	(0.07)

Notes

forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Commission on Corporate Guarantee					
IIFL Finance Limited	3.61	-	-	-	3.61
	(4.93)	(-)	(-)	(-)	(4.93)
Allocation of expenses paid					
IIFL Capital Services Limited	0.00	-	3.72	-	3.72
	(-)	(-)	(3.18)	(-)	(3.18)
IIFL Management Services Limited	-	-	-	-	-
	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Finance Limited	5.12	-	-	-	5.12
	(5.31)	(-)	(-)	(-)	(5.31)
5Paisa Capital Limited	-	-	0.01	-	0.01
	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Facilities Services Limited	-	-	1.31	-	1.31
	(-)	(-)	(1.16)	(-)	(1.16)
Reimbursement paid					
IIFL Capital Services Limited	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)
IIFL Facilities Services Limited	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
IIFL Finance Limited	0.19	-	-	-	0.19
	(0.14)	(-)	(-)	(-)	(0.14)
ESOP					
IIFL Capital Services Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.05	-	-	-	0.05
	(1.33)	(-)	(-)	(-)	(1.33)
Allocation of expenses received					
IIFL Management Services Limited	-	-	0.04	-	0.04
	(-)	(-)	(0.03)	(-)	(0.03)
IIFL Capital Services Limited	-	-	0.86	-	0.86
	(-)	(-)	(0.49)	(-)	(0.49)
5Paisa Capital Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	0.47	-	0.47
	(-)	(-)	(0.15)	(-)	(0.15)
IIFL Finance Limited	1.16	-	-	-	1.16
	(1.17)	(-)	(-)	(-)	(1.17)
IIFL Facilities Services Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
Reimbursement received					
IIFL Finance Limited	0.06	-	-	-	0.06
	(0.06)	(-)	(-)	(-)	(0.06)
5Paisa Capital Limited	-	-	-	-	-
	(-)	(-)	(0.01)	(-)	(0.01)
Sale of Fixed Assest					
5paisa Capital Limited	-	-	0.01	-	0.01
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	0.49	-	0.49
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.20	-	-	-	0.20
	(0.48)	(-)	(-)	(-)	(0.48)
IIFL Capital Services Limited	-	-	0.12	-	0.12
	(-)	(-)	(0.02)	(-)	(0.02)



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)					
Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Livlong Protection & Wellness Solutions Limited	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)
Payment of Assignment Transactions					
IIFL Finance Limited	27.61	-	-	-	27.61
	(45.04)	(-)	(-)	(-)	(45.04)
Purchase of Fixed Assets					
5paisa Capital Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Finance Limited	0.21	-	-	-	0.21
	(0.06)	(-)	(-)	(-)	(0.06)
IIFL Management Services Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Capital Services Limited	-	-	0.10	-	0.10
	(-)	(-)	(0.02)	(-)	(0.02)
Livlong Insurance Brokers Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.00)	(-)	(0.00)

Note: The above remuneration of KMPs comprises of salary, allowances, performance bonus, etc. but excludes non-monetary value of other perquisites computed on the basis of the Income Tax Act, 1961 and Rules thereon.

Figures in brackets () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands

41 B. Closing balance:

(₹ in Crores)					
Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company					
IIFL Facilities Services Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.12)	(-)	(0.12)
IIFL Capital Services Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.31)	(-)	(0.31)
IIFL Finance Limited	0.04	-	-	-	0.04
	(5.88)	(-)	(-)	(-)	(5.88)
5paisa Capital Limited	-	-	-	-	-
	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Management Services Limited	-	-	0.00	-	0.00
	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Insurance Brokers Limited	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)
Receivable from Group/Holding Company					
Livlong Protection & Wellness Solutions Limited	-	-	0.29	-	0.29
	(-)	(-)	(0.04)	(-)	(0.04)
5 Paisa Capital Ltd	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)
India Infoline Foundation (Unspent CSR amount)	-	-	12.65	-	12.65
	(-)	(-)	(-)	(-)	(-)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

(₹ in Crores)					
Nature of Transaction	Holding Company	Fellow Subsidiaries	Other related parties	Key Managerial Personnel	Total
Debt Securities Outstanding					
360 One WAM Limited	-	-	-	-	-
	(-)	(-)	(2.09)	(-)	(2.09)
Provision for Post Employment Benefits					
Mr. Monu Ratra	-	-	-	0.33	0.33
	(-)	(-)	(-)	(0.30)	(0.30)
Mr. Gaurav Seth	-	-	-	0.04	0.04
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Amit Gupta	-	-	-	-	-
	(-)	(-)	(-)	(0.16)	(0.16)
Mr. Sumit Jhunjhunwala	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)
Mr. Ajay Jaiswal	-	-	-	0.18	0.18
	(-)	(-)	(-)	(0.16)	(0.16)
Sitting fees Payable					
Mr. S. Sridhar	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(0.01)
Ms. Mohua Mukherjee	-	-	-	0.00	0.00
	(-)	(-)	(-)	(0.01)	(0.01)
Mr. AK Purwar	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Venkataramanan Anantharaman	-	-	-	0.00	0.00
	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Ramakrishnan Subramanian	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(-)
Mr. Mohan Shekhar	-	-	-	0.00	0.00
	(-)	(-)	(-)	(-)	(-)
Mr. Mathew Joseph	-	-	-	0.00	0.00
	(-)	(-)	(-)	(0.01)	(0.01)
Commission Payable					
Mr. Kranti Sinha	-	-	-	-	-
	(-)	(-)	(-)	(0.03)	(0.03)
Mr. S. Sridhar	-	-	-	0.25	0.25
	(-)	(-)	(-)	(0.12)	(0.12)
Ms. Mohua Mukherjee	-	-	-	0.20	0.20
	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Venkataramanan Anantharaman	-	-	-	0.20	0.20
	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Ramakrishnan Subramanian	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(-)
Mr. Mohan Shekhar	-	-	-	0.15	0.15
	(-)	(-)	(-)	(0.04)	(0.04)
Mr. Mathew Joseph	-	-	-	0.20	0.20
	(-)	(-)	(-)	(0.04)	(0.04)
Corporate Guarantee					
IIFL Finance Limited	260.33	-	-	-	260.33
	(410.32)	(-)	(-)	(-)	(410.32)
Security Deposit receivable					
IIFL Facilities Services Limited	-	-	0.31	-	0.31
	(-)	(-)	(1.49)	(-)	(1.49)
Equity share capital					
IIFL Finance Limited	20.97	-	-	-	20.97
	(20.97)	(-)	(-)	(-)	(20.97)

Please refer ESOP note for ESOP outstanding to KMPs
Figures in brackets () represents previous year's figures.
0.00 denotes amount less than ₹ Fifty thousands



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

41 C. Terms and conditions of transactions with related parties

All transactions with these related parties are priced on an arm's length basis. Further with regards to Inter corporate deposits, these are given / taken back as part of the treasury management activities and these are generally short term in nature and are at prevalent arm's length rate of interest.

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2025

(₹ in Crores)				
Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
	ASSETS			
1	Financial Assets			
	(a) Cash and cash equivalents	879.12	-	879.12
	(b) Bank balance other than (a) above	230.31	368.26	598.57
	(c) Receivables			
	(I) Trade receivables	54.58	-	54.58
	(d) Loans	5,235.36	20,421.94	25,657.30
	(e) Investments	2.52	352.91	355.43
	(f) Other financial assets	87.03	522.98	610.01
2	Non-financial Assets			
	(a) Current tax assets (net)	-	63.39	63.39
	(b) Deferred tax assets (net)	-	15.25	15.25
	(c) Investment Property	-	2.02	2.02
	(d) Property, plant and equipment	-	6.36	6.36
	(e) Right of use assets	-	96.62	96.62
	(f) Other intangible assets	-	0.65	0.65
	(g) Intangible asset under development	-	0.10	0.10
	(h) Other non-financial assets	7.41	4.76	12.17
	Total Assets (A)	6,496.33	21,855.24	28,351.57
	LIABILITIES			
1	Financial Liabilities			
	(a) Derivative financial instruments	16.23	-	16.23
	(b) Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	8.11	-	8.11
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	53.66	0.04	53.70
	(c) Lease liabilities	22.27	80.54	102.81
	(d) Debt securities	1,399.91	2,832.81	4,232.72
	(e) Borrowings (other than debt securities)	2,497.14	12,005.43	14,502.57
	(f) Subordinated liabilities	25.52	813.48	839.00
	(g) Other financial liabilities	958.81	7.05	965.86
2	Non-financial Liabilities			
	(a) Provisions	22.23	11.00	33.23
	(b) Other non-financial liabilities	114.11	20.78	134.89
3	Total liabilities (B)	5,117.99	15,771.13	20,889.12
4	Net Assets (A-B)	1,378.34	6,084.11	7,462.45

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2024

(₹ in Crores)				
Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
	ASSETS			
1	Financial Assets			
	(a) Cash and cash equivalents	781.71	-	781.71
	(b) Bank balance other than (a) above	218.23	81.00	299.23
	(c) Receivables			
	(I) Trade receivables	48.18	-	48.18
	(d) Loans	4,679.81	18,434.29	23,114.10
	(e) Investments	105.65	476.43	582.08
	(f) Other financial assets	21.64	466.87	488.50
2	Non-financial Assets			
	(a) Current tax assets (net)	-	20.56	20.56
	(b) Deferred tax assets (net)	-	35.95	35.95
	(c) Investment Property	-	2.16	2.16
	(d) Property, plant and equipment	-	7.61	7.61
	(e) Right of use assets	-	57.52	57.52
	(f) Other intangible assets	-	0.56	0.56
	(g) Intangible asset under development	-	0.34	0.34
	(h) Other non-financial assets	2.61	5.61	8.22
	Total Assets (A)	5,857.83	19,588.89	25,446.73
	LIABILITIES			
1	Financial Liabilities			
	(a) Derivative financial instruments	-	2.61	2.61
	(b) Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.12	-	3.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	65.65	-	65.65
	(c) Lease liabilities	22.49	40.77	63.26
	(d) Debt securities	771.17	2,841.87	3,613.04
	(e) Borrowings (other than debt securities)	2,509.76	10,523.42	13,033.18
	(f) Subordinated liabilities	25.52	1,011.86	1,037.38
	(g) Other financial liabilities	1,054.50	-	1,054.50
2	Non-financial Liabilities			
	(a) Current tax liabilities (net)	4.85	-	4.85
	(b) Provisions	21.78	9.26	31.04
	(c) Other non-financial liabilities	100.04	-	100.04
3	Total liabilities (B)	4,578.89	14,429.79	19,008.67
4	Net Assets (A-B)	1,278.94	5,159.10	6,438.05

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

Note 42.1 Events after reporting date: There have been no significant events after the reporting date that require adjustment in these consolidated financial statements.



Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

Note 43. Other Disclosures

A. Figures for the previous year have been re-grouped / reclassified wherever necessary, to confirm to current year's classification. The details for regrouping are as follows:

(₹ in Crores)

Regrouped to	Regrouped from	Amount	Reasons
Other financial liabilities	Trade payables - total outstanding dues of creditors other than micro enterprises and small enterprises	2.32	Better presentation

B. Additional information pursuant to para 2 of schedule III on general instructions for the preparations of Consolidated Financial Statements:

Name of entity in the Group	Net Assets i.e. Total Assets less Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated total comprehensive income	Amount (₹ in Crores)
	March 31,2025	March 31,2025	March 31,2025	March 31,2025	March 31,2025	March 31,2025	March 31,2025	March 31,2025
Parent Entity								
IIFL Home Finance Limited	100.02%	7,463.97	101.91%	995.15	101.61%	(10.17)	101.91%	984.98
Indian Subsidiary								
IIHFL Sales Limited	0.21%	15.81	-1.85%	(18.07)	-1.55%	0.16	-1.85%	(17.91)
Eliminations								
	-0.23%	(17.34)	-0.06%	(0.58)	-0.06%	0.01	-0.06%	(0.58)
Total	100.00%	7,462.45	100.00%	976.50	100.00%	(10.01)	100.00%	966.48

Name of entity in the Group	Net Assets i.e. Total Assets less Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated total comprehensive income	Amount (₹ in Crores)
	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024
Parent Entity								
IIFL Home Finance Limited	100.15%	6,447.40	101.01%	1,026.84	100.17%	(7.50)	101.02%	1,019.34
Indian Subsidiary								
IIHFL Sales Limited	0.21%	13.74	-0.04%	(0.38)	-0.30%	0.02	-0.04%	(0.36)
Eliminations								
	-0.36%	(23.09)	-0.97%	(9.91)	0.13%	(0.01)	-0.98%	(9.92)
Total	100.00%	6,438.05	100.00%	1,016.55	100.00%	(7.49)	100.00%	1,009.06

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2025 (Contd..)

C. The company has used 4 accounting software in which the audit trail (edit log) feature is enabled and operated throughout the year. Further, the company has not noted any instances of changes in the audit trail feature during the year. Additionally, the audit trail has been retained during the year.

D. These financial statements were authorised for issue by the Company's Board of Directors on May, 06, 2025.

As per our report of even date attached.

For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm registration number:
101049W/E300004

Amit Kabra

Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2025

For Sundaram and Srinivasan
Chartered Accountants

ICAI Firm registration number:
004207S

P Menakshi Sundaram

Partner
Membership No: 217914

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman

Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Ajay Jaiswal

Company Secretary
(F6327)
Place: Mumbai

Monu Ratra

Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Sumit Jhunjhunwala

Chief Financial Officer
Place: Mumbai



Notes forming part of Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd..)

Form AOC-I

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

Statement containing salient features of the financial statement of subsidiaries as on March 31, 2025

Part “A”: Subsidiaries (IIFHL Sales Limited)

(₹ in Crores except otherwise stated)

Sr no.	Particulars	IIFHL Sales Limited
1	Share capital	0.55
2	Reserves & surplus/Other Equity	15.27
3	Total assets	48.98
4	Total Liabilities	33.16
5	Investments	-
6	Total Turnover	25.66
7	Profit before taxation	(24.06)
8	Provision for taxation	(5.99)
9	Profit after taxation	(18.07)
10	Proposed Dividend	-
11	% of shareholding	100%

Reporting period for the subsidiary is same as holding company

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Sumit Jhunjunwala
Chief Financial Officer
Place: Mumbai

Date: May 06, 2025

Corporate Information

Board of Directors:

Srinivasan Sridhar: *Chairman & Non – Executive Director*
Mohua Mukherjee: *Independent Director*
Venkataramanan Anantharaman: *Independent Director*
Mathew Joseph: *Independent Director*
Ramakrishnan Subramanian: *Independent Director*
Mohan Sekhar: *Independent Director*
Kabir Mathur: *Nominee Director*
Nirmal Jain: *Non-Executive Director*
Venkataraman Rajamani: *Non-Executive Director*
Monu Ratra: *Executive Director & CEO*

Chief Financial Officer:

Sumit Jhunjunwala

Company Secretary:

Ajay Jaiswal

Statutory Auditors:

M/s S.R. Batliboi & Associates LLP,
Chartered Accountants
M/s Sundaram & Srinivasan,
Chartered Accountants

Secretarial Auditors:

M/s. RMG & Associates,
Company Secretaries

Committees:

- Audit Committee**
Mathew Joseph
Venkataramanan Anantharaman
Ramakrishnan Subramanian
Kabir Mathur
- Nomination & Remuneration Committee**
Venkataramanan Anantharaman
Mohua Mukherjee
Mathew Joseph
Kabir Mathur
- Stakeholders Relationship Committee**
Mohua Mukherjee
Mohan Sekhar
Venkataraman Rajamani
Monu Ratra

4. Risk Management Committee

Mathew Joseph
Srinivasan Sridhar
Ramakrishnan Subramanian
Mohan Sekhar
Kabir Mathur
Venkataraman Rajamani
Monu Ratra

5. Assets Liability Management Committee

Monu Ratra
Srinivasan Sridhar
Mohua Mukherjee
Kabir Mathur
Venkataraman Rajamani
Mohit Kumar
Pradeep Kumar Rangi
Sumit Jhunjunwala

6. CSR & Sustainability Committee

Mohua Mukherjee
Mathew Joseph
Mohan Sekhar
Venkataraman Rajamani
Monu Ratra

7. IT Strategy Committee

Mohan Sekhar
Srinivasan Sridhar
Ramakrishnan Subramanian
Kabir Mathur
Monu Ratra

8. Wilful Defaulter-Review Committee

Monu Ratra
Mathew Joseph
Ramakrishnan Subramanian
Pradeep Kumar Rangi
Sumit Jhunjunwala

Core Management Team:

Mr. Monu Ratra: Executive Director & Chief Executive Officer
Mr. Ajay Jaiswal: Chief Operating Officer
Mr. Sumit Jhunjunwala: Chief Financial Officer

Mr. Pradeep Kumar Rangi:

Chief Risk Officer
Ms. Richa Bharadwaj: Chief Compliance Officer
Mr. Rachit Gehani: Chief Technology Officer
Mr. Lokesh Goyal: Head Colletral Risk
Mr. Manoj Kumar: Head Legal
Mr. Iqbal Ahmad Farooqui: National Collection Manager
Mr. Mohit Kumar: National Credit Manager
Mr. Praveen Khullar: Zonal Sales Head
Mr. Amit Sengar: Zonal Sales Head
Mr. Vineet Girdhar: Head- Internal Audit

Registrar and Transfer Agent:

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
C 101, 247 Park, L.B.S. Vikhroli (West),
Mumbai – 400083, Maharashtra, India

Registered Office:

IIFL House, Sun Infotech Park, Road no. 16V, Plot no. B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India

Corporate Office:

IIFL Tower, Plot no. 98, Udyog Vihar Phase – IV, Gurugram, Haryana - 122015

IIFHL Sales Limited (Wholly Owned Subsidiary) -Board of Directors

Ajay Jaiswal
Sumit Jhunjunwala
Lokesh Goyal

List of Bankers/Financial Institutions:

Asian Development Bank
Axis Max Life Insurance
Bajaj Allianz General Insurance Company Limited
Bajaj Allianz Life Insurance Company Limited
Bajaj Finance Limited
Bandhan Bank
Bank Of Baroda
Bank Of India
Bank Of Maharashtra
Canara Bank

Central Bank Of India
DBS Bank
DCB Bank
Development Finance Corporation
Food Corporation of India
Go Digit General Insurance Limited
HDFC Bank
HDFC Life Insurance
ICICI Bank
ICICI Housing Finance
ICICI Prudential Life Insurance
IDBI Bank

Indian Overseas Bank
International Finance Corporation
Kotak Mahindra Bank
Kurmanchal Co Op Bank
LIC Housing Finance Limited
Life Insurance Corporation of India
Max Life Insurance Co Ltd
Max Life Insurance Company Limited
National Housing Bank (NHB)
Punjab National Bank
Punjab & Sind Bank
Qatar National Bank

RBL Bank Limited
Shinhan Bank
South Indian Bank
Standard Chartered Bank
State Bank Of India
Syndicate Bank
TATA AIG
UCO Bank
Union Bank of India



IIFL Home Finance Limited

CIN No. U65993MH2006PLC166475

Registered Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate, Thane – 400604

Corporate Office: Plot No.98, Udyog Vihar, Phase - IV, Gurgaon – 122015

Tel: 0124 478 0900

Web: iiflhomeloans.com



REDUCE. REUSE. RECYCLE.

Paper makes up about 28% of solid trash in landfills and one ton of paper takes up about 3.3 cubic yards of landfill space, according to the EPA. Recycling paper and cardboard saves space in landfills for trash that cannot be recycled and saving space in landfills reduces the need to build more landfills.

iiflhomeloans.com

