

Serial No.: 007/2025/KID

Date: November 18, 2025

Addressed to: Grip Invest Technologies Private Limited

**KEY INFORMATION DOCUMENT
(FOR PRIVATE PLACEMENT)**
by



IFL Finance Limited ("Issuer" / "Company")

(Formerly known as IFL Housing Finance Limited)





A public limited company incorporated under the Companies Act, 2013

Corporate Identification Number (CIN): U65910DL2015PLC285284 Permanent Account Number (PAN): AADCI9142H Date of Incorporation: September 17, 2015 Place of Incorporation: New Delhi, India Registration/identification number issued by the relevant regulator: N-14.03651 by the Reserve Bank of India Website: www.iflfinanceltd.com	Registered Office: D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi - 110085, India. Corporate Office: D-16, First Floor, Above ICICI Bank Prashant Vihar, Sector-14, Rohini, New Delhi - 110085, India. Telephone No.: 011-47096097 Email: info@iflfinanceltd.com
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Key information document for issue of Debentures on a private placement basis under Schedule I of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time in relation to the issue of 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("Debentures" or "NCDs") on a private placement basis (the "Issue") for cash at par on a fully paid-up basis. Certain details of the Debentures are as follows:

- Rating:** The Debentures are rated as "CRISIL BBB" by CRISIL Ratings Limited pursuant to the letter dated November 10, 2025 and the rating rationale dated November 10, 2025. Please refer to **Annexure I** below for the rating letter, press release and rating rationale. No other credit ratings have been obtained for the purposes of this Issue.
- Listing:** The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the NSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below).
- Eligible Investors:** Please refer Section 7.15 (*Eligible Investors*) of the Key Information Document.
- Coupon related details:** 12.25% (twelve decimal two five percent) per annum. Please refer Section 6.1 (*Summary Terms*) of the Key Information Document for details about coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount.
- Underwriting:** Not Applicable.
- Details of Electronic Book Mechanism:** Please refer Section 7 of the Key Information Document.

ISSUE SCHEDULE

Issue Opening Date	Issue Closing Date	Date of earliest closing of the issue, if any	Deemed Date of Allotment
November 18, 2025	November 18, 2025	N.A.	November 18, 2025
KEY OFFICERS OF THE ISSUER			
Compliance Officer Name: Shivani Jindal Tel No. 011-47096097, Email: compliance@iflfinanceltd.com	Company Secretary Name: Shivani Jindal Tel No. 011-47096097, Email: compliance@iflfinanceltd.com	Chief Financial Officer Name: Prerna Matta Arora Tel No. 011-47096097 Email: prerna@iflfinanceltd.com	Promoters Name: Gopal Bansal Tel No: 011-47096097 E-mail: gopalbansal@iflfinance ltd.com Name: Sunita Bansal Tel No: 011-47096097 E-mail: sunita.bansal@iflfinancel td.com Name: India Finsec Limited Tel No: 011-47096097 E-mail: indiafinsec@gmail.com Name: Gopal Bansal HUF Tel No: 9350655363 E-mail: gopalbansalca@gmail.co m Name: Ganga Devi Bansal Tel No: 9350655363 E-mail: gangadevipaota@gmail.c om Name: Arvind Kumar Bansal Tel No: 8585954920 E-mail: arvindbansal1947@gmail .com
DETAILS OF STAKEHOLDERS			
Debenture Trustee  Catalyst Trusteeship Limited Address: Unit No. 901, 9 th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W),	Registrar and Transfer Agent  Skyline Financial Services Private Limited	Credit Rating Agency 	Statutory Auditors  Ajay Rattan & Co. Address: E-115, 11 th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New

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Mumbai - 400013, Maharashtra, India Tel: 022-49220555 Contact Person: Mr. Umesh Salvi Email: ComplianceCTL-Mumbai@ctltrustee.com Website: www.catalysttrustee.com	Address: D-153 A 1st Floor Okhla Industrial Area, Phase - I New Delhi-110 020 Telephone Number: 011-2681268 Website: www.skylinerta.com Contact Person: Mr. Pawan Singh Bisht Email ID: compliances@skylinerta.com	CRISIL Ratings Limited Address: Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India Telephone Number: 91-22-6137 3000 (B) Website: crisilratings.com Contact Person: Ajit Velonie Email ID: Crisilratingdesk@Crisil.com	Delhi-110001 Telephone Number: 011-41511852 Website: Contact Person: Mr. Varun Garg Email ID: varun@ajayrattanco.com Peer review No. 014491
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Merchant Banker



SKI Capital Services Limited

Address: 718, Dr. Joshi Road, Karol Bagh, New Delhi – 110005

Telephone No: +91-011-41189899

Fax: NA

Website: <https://www.skicapital.net>

Contact person: Mr. Manick Wadhwa/ Mr. Daljit Singh

E-mail: dcm@skicapital.net

BACKGROUND

This Key Information Document (as defined below) is related to the Debentures to be issued by IFL Finance Limited (Formerly known as IFL Housing Finance Limited) (the "**Issuer**" or "**Company**") on a private placement basis and contains information and disclosures supplemental to those set out in the General Information Document (as defined below), as are required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through a special resolution dated September 29, 22 under Section 180(1)(c) of the Companies Act, 2013 and the resolution dated October 10, 2025 of the Board of Directors of the Issuer and the memorandum of association and articles of association of the Issuer.

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

Issuer's Absolute Responsibility

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

Issue Schedule

Issue Opening Date	November 18, 2025
Issue Closing Date	November 18, 2025
Pay In Date	November 18, 2025
Deemed Date of Allotment	November 18, 2025

DISCLAIMERS

- This Key Information Document contains no unsubstantiated forward-looking statements. To the extent there are any unsubstantiated forward-looking statements under this Key Information Document, such statements shall be considered to be null and void.
- This issue document does not include any statement purporting to be made by an expert other than if the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the Issuer and has given their written consent to this issue of this Key Information Document and has not withdrawn such consent before the delivery of a copy of this Key Information Document to the Registrar (as applicable) for registration.
- Various disclosures set out in this Key Information Document have been linked to the disclosures set out in the General Information Memorandum. There are no changes to the disclosures which have been linked to the disclosures set out in the General Information Document, and in the case of any conflict/difference between the provisions of the General Information Document and this Key Information Document, the provisions of this Key Information Document shall be applicable to this issuance of Debentures.

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

- This Issue does not form part of non-equity regulatory capital for the purposes of Chapter V of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Chapter XIII (*Issuance, Listing and Trading Non-Equity Regulatory Capital*) of the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*". The face value of each debt security issued on private placement basis under this Issue is INR 10,000 (Indian Rupees Ten Thousand).

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

TERM	DEFINITION/PARTICULARS
Act or Companies Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	means the allotment of the Debentures pursuant to this Issue.
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes the Indian Accounting Standards (IND-AS).
Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Applicant	means a person who has submitted a completed Application Form to the Issuer, and " Applicants " shall be construed accordingly.
Application Form	means the application form to apply for subscription to the Debentures, which is in the form annexed to this Key Information Document under Annexure III (Application Form) .
Application Money	means the subscription amounts paid by the Applicants at the time of submitting the Application Form and/or applying for the Debentures on any mechanism of the NSE.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owners	means the holders of the Debentures in dematerialised form whose names are recorded as such with the Depository(ies) in the Register of Beneficial Owners and " Beneficial Owner " shall be construed accordingly.
Board / Board of Directors	means the board of directors of the Issuer.
Business Day	means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which the commercial banks are open for business in Mumbai, India. For the purpose of this definition, in respect of: <ul style="list-style-type: none"> (a) <i>Announcement of issue period</i>: Business Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business. (b) <i>The time period between the issue closing date and the listing of the Debentures on the NSE</i>: Business Day shall mean all trading days of the stock exchanges for non-

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	convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI.
Capital Adequacy Ratio	means the capital adequacy ratio determined in accordance with the NBFC Directions.
Cash/Cash Equivalent	means the aggregate of all unencumbered movable assets of the Issuer that are classified as cash or cash equivalents in accordance with the Applicable Accounting Standards, including any investments in money market units/instruments or other highly liquid debt instruments, any cash/fixed deposits placed by the Issuer.
CDSL	means Central Depository Services (India) Limited.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Change of Control	means: <ul style="list-style-type: none"> (a) any change in Control of the Issuer; (b) any compromise or arrangement with the Issuer's shareholders or creditors; (c) the passing of a resolution for voluntary winding up; (d) implementation of any scheme for restructuring, reconstruction, consolidation, amalgamation, or merger; and/or (e) any change in the shareholding structure of the Issuer that results in a change in the control (as defined in the Companies Act) of the Issuer, whether directly or indirectly.
Client Loan	means each loan disbursed by the Issuer as a lender, and "Client Loans" shall be construed accordingly.
Company/Issuer/IFL	means IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Company Rating	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Conditions Precedent	means the conditions precedent set out in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Conditions Subsequent	means the conditions subsequent set out in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Constitutional Documents	means the certificate of incorporation of the Issuer, the

TERM	DEFINITION/PARTICULARS
	memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Control	has the meaning given to the term "control" in Regulation 2(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Debentures/NCDs	means 19,980 (nineteen thousand nine hundred and eighty) listed listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) at par, in dematerialised form on a private placement basis to certain identified investors.
Debenture Holders/Investors	<p>means the successful applicants who shall initially subscribe to the Debentures, and for any subsequent Debenture Holders, each person who is:</p> <ul style="list-style-type: none"> (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders, <p>paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between paragraphs (a) and (b) above, paragraph (a) shall prevail,</p> <p>and "Debenture Holder" shall be construed accordingly.</p>
Debenture Trust Deed/DTD	means the debenture trust deed executed / to be executed by and between the Debenture Trustee and the Issuer, <i>inter alia</i> , setting out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	means Catalyst Trusteeship Limited.
Debenture Trustee Agreement	means the debenture trustee agreement executed/to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustees Regulations or SEBI Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended, modified or restated from time to time).
Debt	means the aggregate of:

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	<p>(a) all outstanding long-term borrowings (whether secured or unsecured);</p> <p>(b) all contingent liabilities pertaining to corporate and financial guarantees given on behalf of any company, special purpose vehicle, any subsidiary or affiliate to the extent of the amounts outstanding in respect of such guaranteed debt;</p> <p>(c) all outstanding short-term debt borrowings (whether secured or unsecured), availed of in lieu of any long-term debt or by way of bridge financing for a long-term debt;</p> <p>(d) all amounts raised by acceptance under any acceptance credit facility;</p> <p>(e) all receivables sold or discounted (other than receivables that are sold on a non-recourse basis);</p> <p>(f) any obligation under any put option, any shortfall/liquidity support undertaking, any debt service reserve account undertaking, any keep fit letter(s), any letter of comfort issued in favour of any person(s); and</p> <p>(g) all amounts raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing,</p> <p>but shall not include any cash-in-hand and/or any amounts available in the bank accounts of the Issuer.</p>
Debt Disclosure Documents	means the General Information Document, together with this Key Information Document and the private placement offer and application letter in respect of the Debentures.
Deed of Hypothecation	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Deemed Date of Allotment	means November 18, 2025, being the date on which the Debentures are/shall be allotted to the Debenture Holder(s).
Demand Promissory Note	means the demand promissory note delivered/to be delivered by the Issuer to the Debenture Trustee in respect of the Debentures, substantially in a form and manner set out in the transaction documents.
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and " Depository " means any one of them.

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Designated Agent	means Grip Invest Technologies Private Limited and/or such of its affiliates as identified by it.
Depositories Act	means the Depositories Act, 1996, as amended from time to time.
Depository Participant/DP	means a depository participant as defined under the Depositories Act.
Director(s)	means the director(s) of the Issuer.
DP ID	means Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.37 (<i>Other Details</i>) of the Key Information Document.
Due Dates	means, collectively, the dates on which any principal amounts, interest, any additional interest, default interest, any liquidated damages, any premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to the Interest Payment Dates, each Redemption Date and the Final Redemption Date, or any other date (including because of acceleration) on which any payment is to be made by the Issuer under the Transaction Documents.
Early Redemption Event	means the occurrence of any one or more of the following events: <ul style="list-style-type: none"> (a) the downgrade in the rating of the Debentures by 1 (one) notch or more below "BBB" by the Rating Agency or any other rating agency; and (b) failure to perfect security in the manner prescribed in the Transaction Documents within (i) 7 (seven) days from the date of the Deed of Hypothecation, (ii) in respect of each Top-up (as defined in the Deed of Hypothecation), within 15 (fifteen) days of each of March 31 and September 30 of each calendar year, and (iii) within 7 (seven) calendar days from the date of creation of charge on the Cash Collateral (as defined in the Deed of Hypothecation).;
Early Redemption Notification	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Effective Date	means the date of execution of the Debenture Trust Deed.
Eligible Investors	has the meaning given to it in Section 7.15 of the Key Information Document.
Events of Default	means the events set out in 6.2.6.2 (<i>Events of Default</i>) of the Key Information Document, and "Event of Default" means one of them.
Final Redemption Date	means November 18, 2027.
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.

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Financial Indebtedness	<p>means any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account); (h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities; (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or

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	incurred in respect of a liability incurred by any other third person; and (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
Force Majeure Event	means any event due to any cause beyond the reasonable control of a party, including but not limited to sabotage, fire, flood, explosion, acts of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, war, acts of government, and which impacts the ability of the Company to perform its obligations under the Transaction Documents.
General Information Document or GID	means the general information document dated November 11, 2025 issued by the Issuer for subscription to non-convertible securities to be issued by the Issuer (including the Debentures) on a private placement basis in accordance with the Debt Listing Regulations.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law.
Gold Loan Portfolio	means the outstanding principal amounts of the gold loans (determined in accordance with the criteria prescribed by the RBI) originated by the Company on its own books.
Gross Loan Portfolio	means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, including any securitised portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.
Gross NPA	means, the outstanding principal amounts of the Client Loans that have one or more instalments of principal, interest, penalty, fee or any other payments overdue for 90 (ninety) days or more and includes restructured loans.
Holding Company	means, India Finsec Limited.
Hypothecated Assets	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
INR/Rs./Indian Rupees	means Indian Rupees, the lawful currency of India.
Information Utility	means the National E-Governance Services Limited or any other entity registered as an information utility under the Insolvency

TERM	DEFINITION/PARTICULARS
	and Bankruptcy Board of India (Information Utilities) Regulations, 2017.
Insolvency Related Events	<p>means any one or more of the following events:</p> <ul style="list-style-type: none"> (a) the filing of an insolvency application by the RBI under the (Indian) insolvency and Bankruptcy Code, 2016 or any analogous proceedings under any similar insolvency, winding up or liquidation laws; (b) any resolution is passed either by the creditors or the shareholders of the Issuer or any other action is taken which may result in a voluntary or other insolvency process, winding up or liquidation of the Issuer; (c) an order for insolvency process, winding up or insolvency of the Issuer is made by any competent court or tribunal (including under the (Indian) Insolvency and Bankruptcy Code, 2016 and any rules and regulations made thereunder); (d) the Issuer has taken or suffered to be taken any action for its reorganisation, liquidation or dissolution; (e) an insolvency resolution professional, a receiver, liquidator or any other equivalent professional has been appointed or allowed to be appointed of all or any part of the undertaking of the Issuer; and (f) any insolvency professional, any receiver, assignee, trustee or similar other officer is appointed by any court or any other competent authority in any insolvency, winding up, execution or distress proceedings against the Issuer, <p>and "Insolvency Related Event" shall be construed accordingly.</p>
Interest Payment Dates	means the dates on which the interest in respect of the Debentures is required to be paid and "Interest Payment Date" shall be construed accordingly. The interest payment dates are set out in Annexure IV of this Key Information Document.
Interest Rate	<p>means 12.25% (twelve decimal two five percent) per annum (fixed), payable monthly on the Interest Payment Dates as specified in Annexure IV of this Key Information Document.</p> <p>Interest at the Interest Rate shall be calculated as "Outstanding Principal Amounts* Coupon Rate *(((t2-t1)/365,366))", where:</p>

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	<p>(a) "t1" is the last Interest Payment Date/Deemed Date of Allotment; and</p> <p>(b) "t2" being the relevant Interest Payment Date.</p>
Issue	means this issue of the Debentures.
Issue Closing Date	means November 18, 2025
Issue Opening Date	means November 18, 2025
Key Information Document or KID	means this key information document for subscription to the Debentures on a private placement basis in accordance with the Debt Listing Regulations.
Letter of Continuity	means the letter of continuity delivered/to be delivered by the Issuer to the Debenture Trustee in respect of the Debentures, substantially in a form and manner set out in the transaction documents.
Listed NCDs Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/ DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on " <i>Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i> ", as amended, modified, supplemented or restated from time to time.
Listing Period	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of the Key Information Document
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Material Adverse Effect	<p>means any event, circumstance, occurrence, change or condition that, in the reasonable opinion of the Majority Debenture Holders and/or the Designated Agent, has or is reasonably likely to have a material adverse effect on:</p> <p>(a) the business, operations, assets, liabilities (actual or contingent), financial condition, or prospects of the Issuer;</p> <p>(b) the ability of the Issuer to perform its obligations under the Transaction Documents;</p> <p>(c) the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents;</p>

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	<p>(d) the legality, validity or enforceability of any of the Transaction Documents; or</p> <p>(e) the ability of the Issuer to disburse new loans, appoint third-party or internal collection agents, or otherwise carry out any material business activities, as restricted, suspended, or modified by direction from the RBI or any regulatory authority.</p> <p>For avoidance of doubt, a Material Adverse Effect shall be deemed to have occurred if any of the above results from a change occurring after the date hereof, as determined by the Majority Debenture Holders and/or the Designated Agent acting reasonably and in good faith.</p>
N.A.	Not Applicable
NBFC	means non-banking financial company
NBFC Directions	means the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023, read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on " <i>Implementation of Indian Accounting Standards</i> ", and the RBI's circular no. DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on " <i>Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications</i> ", each as amended, modified, supplemented or restated from time to time.
Net NPA	means the difference between (a) the Gross NPA, and (b) all provisions created against "standard assets", "sub-standard assets", "doubtful assets" and "loss assets", each determined in accordance with the NBFC Directions and any other applicable RBI regulations governing asset classification and provisioning for NBFCs.
Net Worth	has the meaning given to it in the Companies Act.
NSDL	means National Securities Depository Limited.
NSE	means National Stock Exchange of India Limited.
Optionally Accelerated Redemption Event	<p>means the occurrence of any one or more of the following events:</p> <p>(a) the Capital Adequacy Ratio falls below 25% (twenty five percent);</p> <p>(b) the ratio of A:B exceeds 2% (two percent), where A is the Net NPA of the Issuer, and B is the Gross Loan Portfolio of the Issuer, multiplied by 100, and followed by the "%"</p>

TERM	DEFINITION/PARTICULARS
	<p>symbol; and/or</p> <p>(c) <u>the</u> Issuer's "profit after tax" (determined in accordance with the Applicable Accounting Standards) is negative for the previous 4 (four) consecutive quarters put together as determined on a quarterly basis.</p> <p>The events set out in paragraphs (a) to (c) above shall be tested on a quarterly basis on the Quarterly Dates, until the Final Settlement Date.</p>
Outstanding Amounts	means, on any date, the Outstanding Principal Amounts together with any interest, additional interest, default interest, costs, fees, charges, expenses, and other amounts payable by the Issuer in respect of the Debentures and under the transaction documents.
Outstanding Principal Amounts	means, at any date, the principal amounts outstanding under the Debentures.
PAN	means Permanent Account Number
Payment Default	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of the Key Information Document.
Personal Guarantees	means, collectively, the unconditional and irrevocable personal guarantees dated on or about the Deemed Date of Allotment provided by each of the Personal Guarantors in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders), guaranteeing the Secured Obligations, and " Personal Guarantee " shall be construed accordingly
Personal Guarantors	<p>means, collectively:</p> <p>(a) Mr. Gopal Bansal, an Indian citizen holding permanent account number AAHPB8176F , currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; and</p> <p>(b) Mrs. Sunita Bansal, an Indian citizen holding permanent account number AZJPS4858C, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India.</p>
Potential Event of Default	means any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default.
Private Placement Offer cum Application Letter or PPOA	means the private placement offer and application letter issued/to be issued by the Issuer for subscription to the Debentures on a private placement basis in accordance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

TERM	DEFINITION/PARTICULARS
Promoters	means each person comprising the Promoter Group, and "Promoter" shall be construed accordingly.
Promoter Group	<p>means collectively:</p> <ul style="list-style-type: none"> (a) India Finsec Limited, a company incorporated under the Companies Act, 2013 with CIN L65923DL1994PLC060827 and a non-banking financial company registered with the RBI, and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, North West Delhi, New Delhi - 110085, India; (b) Mr. Gopal Bansal, an Indian citizen holding permanent account number AAHPB8176F, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; (c) Mrs. Sunita Bansal, an Indian citizen holding permanent account number AZIPS4858C, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; (d) Ms. Ganga Devi Bansal, an Indian citizen holding permanent account number AAHPB8175G, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; (e) Mr. Arvind Kumar Bansal, an Indian citizen holding permanent account number AEPPB9263D, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India; and (f) Gopal Bansal HUF, a Hindu undivided family, holding permanent account number AAEHG7205B, and having its registered office at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India.
Purpose	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of the Key Information Document.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "Quarterly Dates" shall be construed accordingly.
Rating	means the credit rating for the Debentures from the Rating Agency, being, "CRISIL BBB" affirmed/assigned by the Rating Agency through its letter dated November 10, 2025.

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Rating Agency	means CRISIL Ratings Limited , having its registered office at Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India, India
RBI or Central Bank	means the Reserve Bank of India.
Record Date	means the date falling 15 (fifteen) calendar days prior to each Due Date.
Recovery Expense Fund	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular.
Redemption Dates	means the dates as specified in Annexure IV of this Key Information Document, or any other date in accordance with sub-sections named " <i>Early Redemption</i> " or " <i>Voluntary Redemption</i> " or " <i>Optionally Accelerated Redemption Option</i> " under Section 6.1 (<i>Summary Terms</i>) of this KID, on which payment of the Outstanding Principal Amounts is required to be made in respect of the Debentures, and "Redemption Date" means any one of them.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Companies Act.
Registrar	means the registrar and transfer agent appointed for the issue of Debentures, being Skyline Financial Services Private Limited.
Related Party	has the meaning given to it in the Companies Act.
Resolutions	means the shareholders resolutions, each dated September 29, 2022, under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, and the resolution dated October 10, 2025 of the board of directors of the Issuer.
ROC	means the jurisdictional registrar of companies.
RTGS	means Real Time Gross Settlement.
SEBI	means the Securities and Exchange Board of India.
SEBI Centralized Database Requirements	means the requirements prescribed in Chapter IV (<i>Centralized Database for corporate bonds/ debentures</i>) of the Listed NCDs Master Circular read together with Chapter XII (<i>Centralised Database - Responsibilities of Debenture Trustee</i>) of the SEBI Debenture Trustees Master Circular.
SEBI Debenture Trustees Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/ 2025/117 dated August 13,

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	2025 on "Master Circular for Debenture Trustees" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.
SEBI Listed Debentures Circulars	means, collectively, the Listed NCDs Master Circular, the SEBI Debenture Trustees Master Circular, and (to the extent applicable) the SEBI LODR Master Circular.
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (<i>Standardization of timelines for listing of securities issued on a private placement basis</i>) of the Listed NCDs Master Circular.
SEBI LODR Master Circular	means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 on "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities" to the extent applicable in respect of the private placement of debt securities, read with the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025 on "Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitised Debt Instruments and/ or Commercial Paper", each as amended, modified or restated from time to time.
SEBI LODR Regulations or LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
SEBI NCS Regulations or SEBI Debt Listing Regulations or Debt Listing Regulations	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the Listed NCDs Master Circular, as amended, modified or restated from time to time.
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, the default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Issuer in respect of the Debentures.
Security Cover	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this

TERM	DEFINITION/PARTICULARS
	Key Information Document.
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Step Up	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Step Up Rate	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on " <i>Prudential Framework for Resolution of Stressed Assets</i> ", as amended, modified or restated from time to time.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Issuer under the transaction documents.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
Total Assets	means, for any date of determination, the total Assets of the Issuer on such date.
Total Debt	means the aggregate of: <ul style="list-style-type: none"> (a) all long-term and short-term outstanding, whether secured or unsecured, including any contingent liabilities pertaining to corporate/financial guarantees given on

TERM	DEFINITION/PARTICULARS
	<p>behalf of any company / special purpose vehicle / subsidiary / affiliate to the extent of outstanding of such guaranteed debt;</p> <p>(b) any amount raised by acceptance under any acceptance credit facility;</p> <p>(c) receivables sold or discounted (other than receivables to the extent they are sold on a non-recourse basis);</p> <p>(d) any put option, shortfall / liquidity support undertaking, debt service reserve account undertaking, keep fit letter(s), letter of comfort issued in favour of any person(s), which give or may give rise to any financial obligation(s); and</p> <p>(e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing.</p>
Tier I Capital	has the meaning given to it in the NBFC Directions.
Transaction Documents	<p>means, collectively:</p> <p>(a) the Debenture Trust Deed;</p> <p>(b) the Debenture Trustee Agreement;</p> <p>(c) the Deed of Hypothecation;</p> <p>(d) the Personal Guarantees;</p> <p>(e) the Debt Disclosure Documents;</p> <p>(f) the Demand Promissory Notes and the Letters of Continuity;</p> <p>(g) the letters issued by, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;</p> <p>(h) each tripartite agreement between the Issuer, the Registrar and the relevant Depository;</p> <p>(i) the Resolutions;</p> <p>(j) any undertakings from the Issuer and/or the shareholders of the Issuer as are required by the Debenture Holders (if any); and</p>

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TERM	DEFINITION/PARTICULARS
	(k) any other document that may be designated as a Transaction Document by the Debenture Trustee, and "Transaction Document" means any of them.
Transaction Security	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Voluntary Redemption Exercise Period	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Voluntary Redemption Date	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
Voluntary Redemption Event	means the occurrence of any one or more of the following events: (a) a Force Majeure Event; (b) any change in Applicable Law, pursuant to which it becomes unlawful for the Issuer to perform any of its obligations under the transaction documents and/or any obligations of the Issuer under any transaction document are not, or cease to be valid, binding, and enforceable; and (c) the rating of the Debentures is downgraded to "BBB-" or below by the Rating Agency or any other rating agency.
Voluntary Redemption Notification	has the meaning given to it in Section 6.1 (<i>Summary Terms</i>) of this Key Information Document.
WDM	means the Wholesale Debt Market.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

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

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

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

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

2.3 DISCLAIMER CLAUSE OF RBI

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

2.4 DISCLAIMER CLAUSE OF SEBI

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

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

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

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

2.6 DISCLAIMER IN RESPECT OF RATING AGENCY

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

2.7 ISSUE OF NON-CONVERTIBLE DEBENTURES IN DEMATERIALISED FORM

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

2.8 DISCLAIMER IN RESPECT OF MERCHANT BANKER

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

SECTION 3: RISK FACTORS

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

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SECTION 4: FINANCIAL STATEMENTS

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

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

SECTION 5: REGULATORY DISCLOSURES

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

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

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

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

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

5.3 Details of Promoters of the Issuer:

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

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

CRISIL Ratings Limited has affirmed/assigned a rating of "CRISIL BBB" through its letter dated November 10, 2025 for the Debentures to be issued in the proposed Issue. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release are provided in **Annexure I** of this Key Information Document.

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

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

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

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

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

5.6 **Issue Schedule:**

PARTICULARS	DATE
Issue Opening Date	November 18, 2025
Issue Closing Date	November 18, 2025
Pay In Date	November 18, 2025
Deemed Date of Allotment	November 18, 2025

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

(a) **Legal Counsel**

Name	N.A. The Issuer has been advised by its in-house legal and compliance team.
Logo	N.A.
Address	N.A.
Website	N.A.
E-mail address	N.A.
Telephone Number	N.A.
Contact Person Details	N.A.

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

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

(c) **Guarantor**

Name	Mr. Gopal Bansal
Logo	N.A.
Address	A-1/11, Near NK Bagrodia Public School, Varun Apartments, Plot No.12, Sector-9, Rohini, Delhi-110085
Website	N.A.

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E-mail address	gopalbansal@iflfinanceltd.com
Telephone Number	011-47096097
Contact Person Details	Mr. Gopal Bansal

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

(d) **Arrangers**

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

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

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

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


Name	CRISIL Ratings Limited
Logo	
Address	Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400072, Maharashtra, India
Website	Crisilratings.com

E-mail address	Crisilratingdesk@Crisil.com
Telephone Number	91-22-6137 3000 (B)
Contact Person Details	Mr. Ajit Velonie

(g) **Registrar the Issue**

Name	Skyline Financial Services Private Limited
Logo	
Address	D-153 A, 1st Floor, Okhla Industrial Area, Phase - I New Delhi-110 020
Website	www.skylinerta.com
E-mail address	Compliances@skylinerta.com
Telephone Number	011-40450193
Contact Person Details	Mr. Pawan Singh Bisht

(h) **Statutory Auditors**

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

5.8 **About the Issuer**

The following details pertaining to the issuer:

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

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

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

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

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

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

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

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

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

Web Link or Static QR Code:



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

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

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

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

S.NO	PARTICULARS	FEE/EXPENSE AMOUNT (INR)	% OF TOTAL ISSUE EXPENSES	% OF TOTAL ISSUE SIZE***
1.	Lead Manager(s) fees	N. A.	N. A.	N. A.
2.	Underwriting commission	N. A.	N. A.	N. A.
3.	Brokerage, selling commission and upload fees	N. A.	N. A.	N. A.

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4.	Fees payable to the registrars to the issue	10,000	1.35%	0.005%
5.	Fees payable to the legal advisors	The Issuer is being advised by its in-house legal and compliance team.	N. A	N. A
6.	Advertising and marketing expenses	N. A. *	N. A. *	N. A. *
7.	Fees payable to the regulators including stock exchanges	1,20,000	16.22%	0.06%
8.	Expenses incurred on printing and distribution of issue stationary	N. A. **	N. A. **	N. A. **
9.	Any other fees, commission and payments under whatever nomenclature	N.A.	N.A.	N.A.

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

** As the Debentures will be issued by way of private placement through in accordance with the process prescribed by SEBI and/or NSE, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.

5.10 Financial Information

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

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

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

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- (i) **Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document.**
- (ii) **The scanning of such static quick response code or clicking on the web-link, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.**

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

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

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

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

- (i) **The issue is made on the Electronic Book Platform of the stock exchange, irrespective of the issue size; and**
- (ii) **In case of issue of securities on a private placement basis, the issue is open for subscription only to qualified institutional buyers**

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

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

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

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

Standalone Basis:

PARTICULARS	MARCH 31, 2023 (INR in crores)	MARCH 31, 2024 (INR in crores)	MARCH 31, 2025 (INR in crores)	SEPTEMBER 30, 2025 (INR IN CRORES)
	Audited	Audited	Audited	Limited Review
BALANCE SHEET				
Assets				
Property, Plant and Equipment	1.60	1.54	1.93	2.29
Financial Assets	264.70	289.60	347.23	412.16
Non-financial Assets excluding property, plant and equipment	9.79	9.38	12.70	14.31
Total Assets	276.09	300.52	361.86	428.76
Liabilities				
Financial Liabilities				
-Derivative financial instruments				
-Trade Payables				
-Debt Securities				
-Borrowings (other than Debt Securities)	169.47	182.42	187.80	238.74
-Subordinated liabilities				
-Other financial liabilities	10.54	9.60	12.62	14.87
Non-Financial Liabilities				
-Current tax liabilities (net)	0.87	1.02	0.96	3.61
-Provisions	0.32	0.43	0.64	0.76
-Deferred tax liabilities (net)				
-other non-financial liabilities	0.02	0.02	0.10	
Equity (Equity Share Capital and Other Equity)	94.88	107.04	159.74	170.77
Total Liabilities and Equity	276.09	300.52	361.86	428.76
PROFIT AND LOSS				
Revenue from operations	44.52	63.34	71.11	38.74
Other Income	1.24	0.44	0.26	0.40
Total Income	45.77	63.78	71.37	39.14

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Total Expense	39.52	47.73	47.45	24.26
Profit after tax for the year	4.47	12.15	18.13	11.02
Other Comprehensive income	-0.04	0.01	-0.01	-
Total Comprehensive Income	4.44	12.16	18.11	11.02
Earnings per equity share (Basic)	0.73	1.84	2.65	1.67
Earnings per equity share (Diluted)	0.73	1.84	2.65	1.67
Cash Flow				
Net cash from/ used in (-) operating activities	-96.91	-13.00	-30.59	-41.04
Net cash from/ used in (-) investing activities	4.72	0.03	2.94	-5.10
Net cash from/ used in (-) financing activities	94.87	10.77	36.83	49.58
Net increase/decrease (-) in cash and cash equivalents	2.68	-2.20	9.18	3.44
Cash and cash equivalents as per Cash Flow Statement as at the end of Year/Half year	4.38	2.18	11.36	14.80
Additional Information				
Net Worth	94.88	107.04	159.74	170.77
Cash and cash equivalents	4.38	2.18	11.36	14.80
Loans*	169.47	182.42	187.80	238.74
Loans (Principal Amount)	-	-	-	238.74
Total Debts to Total Assets	0.61	0.61	0.52	0.56
Interest Income	42.17	60.84	68.51	36.95

Interest Expense	17.04	23.26	25.33	13.55
Impairment on Financial Instruments	0.56	0.49	-	-
Bad Debts to Loans **	Nil	Nil	Nil	Nil
% Stage 3 Loans on Loans (Principal Amount)	0.99%	1.13%	0.67%	0.73%
% Net Stage 3 Loans on Loans (Principal Amount)	0.77%	0.78%	0.46%	0.50%
Tier I Capital Adequacy Ratio (%)	52.42%	52.98%	56.78%	47.17%
Tier II Capital Adequacy Ratio (%)	0.41%	9.87%	8.99%	6.97%

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- A. in the promotion of the issuer company; or
- B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or
- C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

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

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

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

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

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

5.14 Following details regarding the auditors of the Issuer:

(a) Details of the auditor of the Issuer:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5.16 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it

has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.

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

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

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

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

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

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

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

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

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

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

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

Please refer to Section 5.20 of the General Information Document for the details of the any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the

three years immediately preceding the year of the issue of the issue document against the promoter of the Issuer. There are no changes to the information set out in Section 5.20 of the General Information Document.

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

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

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

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

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

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

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

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

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

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

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

Please refer to Section 5.27 of the General Information Document.

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

Please refer to Section 5.28 of the General Information Document.

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

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

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

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

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

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

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

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

Web Link or Static QR Code:



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

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

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

- (a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:*** Actual / Actual. Please also refer to the sub-section named "*Business Day Convention*" under Section 6.1 (*Summary Terms*) of this Key Information Document.
- (b) ***Procedure and time schedule for allotment and issue of securities:*** Please refer to the sub-section named "*Issue Timing*" under Section 6.1 (*Summary Terms*) of this Key Information Document.
- (c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration:*** The cash flows emanating from the Debentures, by way of an illustration, are set out under Annexure IV (*Illustration of Bond Cash flows*) of this Key Information Document.

- 5.33 **Disclosures pertaining to wilful defaulter:**

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

- (i) **Name of the bank declaring as a wilful defaulter:** N.A.
 - (ii) **The year in which it was declared as a wilful defaulter:** N.A.
 - (iii) **Outstanding amount when declared as a wilful defaulter:** N.A.
 - (iv) **Name of the entity declared as a wilful defaulter:** N.A.
 - (v) **Steps taken, if any, for the removal from the list of wilful defaulters:** N.A.
 - (vi) **Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions:** N.A.
 - (vii) **Any other disclosure as specified by the Board:** N.A.
- (b) **The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages:** N.A.
- 5.34 **Undertaking by the Issuer:** Please refer Section 9 (*Undertaking*) of this Key Information Document.
- 5.35 **Risk Factors:** Please refer Section 3 (*Risk Factors*) of the Key Information Document.
- 5.36 **Attestation by Authorised Person(s):** Please refer Section 9.2 (*Attestation by Authorised Person(s)*) of this Key Information Document.
- 5.37 **Other details:**
- (a) **Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability:** Please refer Section 5.33(a) of the General Information Document for the details in respect of the creation of DRR
 - (b) **Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):** The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations, the SEBI Listed Debentures Circulars, the Debenture Trustees Regulations, and the guidelines and directions issued by the RBI and SEBI, applicable to issuance of non-convertible debentures on a private placement basis.
 - (c) **Default in payment:** Please refer to the sub-section named "Default Interest Rate", "Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)" and "Additional Disclosures (Default in Payment)" of Section 6.1 (*Summary Terms*) of the Key Information Document in respect of the consequences of a Payment Default.
 - (d) **Delay in listing:** Please refer the sub-section named "Listing (name of stock Exchange(s) where it will be listed and timeline for listing)" of Section 6.1 (*Summary Terms*) of the Key Information Document in relation to the listing requirements in respect of the Debentures and sub-section named "Additional Disclosures (Delay in Listing)" of Section 6.1 (*Summary Terms*) of the Key Information Document in respect of the default interest in the event of delay in listing.

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

- (i) The Debentures shall be/have been deemed to be allotted to the Debenture Holders on the Deemed Date of Allotment. All benefits relating to the Debentures are available to the Debenture Holders from the Deemed Date of Allotment.
- (ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").
- (iii) If the Issuer fails to repay the Application Money within the Repayment Period, then the Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum, gross of withholding taxes, from the expiry of the Allotment Period.

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

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

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

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

5.38 **Other matters and reports:**

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

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

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

- (A) the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and
- (B) the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.

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

- (b) **In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding**
- (i) **the names, addresses, descriptions and occupations of the vendors;**
 - (ii) **the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;**
 - (iii) **the nature of the title or interest in such property proposed to be acquired by the company; and**
 - (iv) **the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:**

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

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

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

- (c) **If:**
- (i) **the proceeds, or any part of the proceeds, of the issue of the debt securities are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and -**
 - (ii) **by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon -**

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- (A) **the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and**
- (B) **the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

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

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

- (i) **indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and**
- (ii) **where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in Section 5.38(c)(ii) above.**

Not applicable.

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

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

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

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

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

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

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

S. No.	Nature of Contract
1.	Certified true copy of the memorandum of association, the articles of association, and the certificate of incorporation of the Issuer.
2.	Resolution dated October 10, 2025 of the board of directors of the Issuer.
3.	Resolution dated September 29, 2022 of the shareholders of the Issuer authorizing borrowings by the Issuer.
4.	Annual reports of the Issuer for the last 3 (three) Financial Years.
5.	Credit rating letter, the rating rationale and the press release from the Rating Agency.
6.	Letter from Catalyst Trusteeship Limited dated October 10, 2025 giving its consent to act as Debenture Trustee.
7.	Letter from Skyline Financial Services Private Limited giving its consent to act as Register and Transfer Agent.
8.	Letter from SKI Capital Services Limited giving its consent to act as Merchant Banker.
9.	The tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depositories.
10.	The in-principle approval dated 13 November, 2025 provided by the NSE in respect of the General Information Document.
11.	The due diligence certificate(s) issued by the Debenture Trustee pursuant to the SEBI Debenture Trustees Master Circular and the other SEBI Listed Debentures Circulars.
12.	The Transaction Documents (including the Debt Disclosure Documents).

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

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

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

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

- (j) **The details of:**

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

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

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

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

S. NO.	ISIN	DATE OF ALLOTMENT	TOTAL ISSUE SIZE (IN INR, IN CRORE)	BASE ISSUE SIZE (IN INR, IN CRORE)	GREEN SHOE OPTION (IN INR, IN CRORE)	TOTAL ALLOTMENT (IN INR, IN CRORE)	GREEN SHOE OPTION EXERCISED (IN INR, IN CRORE)
1.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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

SECTION 6: KEY TERMS OF THE ISSUE

6.1 SUMMARY TERMS

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	12.25% IFL Nov'27
Issuer	IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Type of Instrument	Listed, rated, senior, secured, transferable, redeemable, non-convertible debentures
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Eligible Investors	As specified in Section 7.15 (<i>Eligible Investors</i>) of the Key Information Document.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	<p>(a) The Issuer shall submit all duly completed documents to the NSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the timelines prescribed under the SEBI Listing Timelines Requirements (being on or prior to the expiry of 3 (three) Business Days from the "Issue Closing Date" set out in the Debt Disclosure Documents) ("Listing Period").</p> <p>(b) The Issuer shall ensure that the Debentures continue to be listed (in accordance with the SEBI NCS Regulations and other Applicable Law) on the wholesale debt market segment of the NSE.</p> <p>(c) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed.</p> <p>(d) The Issuer shall comply with all covenants, undertakings and requirements set out in Section 6.2.7 (<i>Listing and Monitoring Requirements</i>) of this Key Information Document.</p>
Rating of the Instrument	"CRISIL BBB" by CRISIL Ratings Limited
Issue Size	Up to 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in INR, having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR

	19,98,00,000 (Indian Rupees Nineteen Crore Ninety Eight Lakh).
Minimum Subscription	1,000 (one thousand) Debentures of aggregate nominal value INR 1,00,00,000 (Indian Rupees One Crore) and in multiples of 1 (one) Debenture thereafter.
Option to retain oversubscription (Amount)	Not Applicable.
Objects of the Issue / Purpose for which there is requirement of funds	<p>(1) The funds raised by the Issue shall be utilized by the Issuer for the purposes of onward lending ("Purpose").</p> <p>(2) The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> (i) any capital market instrument such as equity and equity linked instruments or any other capital market related activities (whether directly or indirectly); (ii) refinancing of existing Financial Indebtedness of the Issuer; (iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); (iv) any speculative business or activity; (v) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.05/21.04.172/2025-26 dated April 1, 2025 on "<i>Bank Finance to Non-Banking Financial Companies (NBFCs)</i>"; and (vi) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and/or SEBI applicable to non-banking financial companies).
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose.

Details of the utilization of the Proceeds	<p>(1) The funds raised by the Issue shall be utilized by the Issuer for the purposes of onward lending.</p> <p>(2) The funds raised by the Issue shall be utilised by the Issuer solely for the Purpose and the Issuer shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> (a) any capital market instrument such as equity and equity linked instruments or any other capital market related activities (whether directly or indirectly); (b) refinancing of existing Financial Indebtedness of the Issuer; (c) investment in the real estate sector/real estate business (including the acquisition/purchase of land); (d) any speculative business or activity; (e) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.05/21.04.172/2025-26 dated April 1, 2025 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"; and (f) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and/or SEBI applicable to non-banking financial companies).
Coupon/Dividend Rate	<p>means 12.25% (twelve decimal two five percent) per annum (fixed), payable monthly on the Interest Payment Dates as specified in Annexure IV of this Key Information Document.</p> <p>Interest at the Interest Rate shall be calculated as "Outstanding Principal Amounts* Coupon Rate *$\left[\frac{(t_2-t_1)}{365,366}\right]$", where:</p> <ul style="list-style-type: none"> (a) "t1" is the last Interest Payment Date/Deemed Date of Allotment; and (b) "t2" being the relevant Interest Payment Date.
Step Up/Step Down Coupon Rate	<p>(a) If, at any time until the Final Redemption Date, (i) the rating of the Debentures is downgraded below the Rating by 1 (one) notch or more, and/or (ii) the credit rating of the Issuer is downgraded from its current rating of "BBB" ("Company</p>

	<p>Rating") by 1 (one) notch or more, each by any credit rating agency, including without limitation, the Rating Agency (being CRISIL Ratings Limited), the Interest Rate shall be increased by 0.5% (zero decimal five percent) per annum for each downgrade of 1 (one) notch below the Rating and/or the Issuer Rating (as the case may be) ("Step Up Rate"), and such increased Interest Rate shall be applicable on the Outstanding Principal Amounts with effect from the date of such downgrade. Step Up, in accordance with this paragraph (a) shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>(b) Following any Step Up, if the rating of the Debentures and/or the Issuer is upgraded, the prevailing Step Up Rate shall be decreased by 0.5% (zero decimal five percent) for each upgrade of 1 (one) notch from the prevailing rating of the Debentures and/or the Issuer (as the case may be) (until the rating of the Debentures and/or the Issuer is restored to the Rating and/or the Company Rating (as the case may be)), and such decreased rate of interest shall be applicable on the Outstanding Principal Amounts with effect from the date of such upgrade. PROVIDED THAT the decreased rate of interest in accordance with this paragraph (b) cannot, in any case, be lower than the Interest Rate as on the Deemed Date of Allotment. The decrease in the rate of interest in accordance with this paragraph (b) shall not require any notice, intimation or action on behalf of the Debenture Trustee or the Debenture Holders.</p> <p>(c) It is clarified that, if following any Step Up, the rating of the Debentures and/or the Issuer is restored to the Rating and/or the Company Rating (as the case may be), then the revised interest shall be payable from the date that the rating of the Debentures and/or the Issuer is restored.</p> <p>(d) In case the Issuer and/or the Debentures are rated by more than one rating agency, then the lowest rating provided to the Issuer and/or the Debentures will be considered for the purposes of this sub-section.</p>
Coupon/Dividend Payment Frequency	Monthly. The indicative interest payment schedule is set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of the Key Information Document.
Coupon/Dividend Payment Dates	The Issuer shall pay accrued interest on the Outstanding Principal Amounts on each Coupon Payment Date until the Final Redemption Date. The indicative interest payment schedule is set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of the Key Information Document.
Cumulative / non cumulative, in case of dividend	Not Applicable.

Coupon Type (Fixed, floating or other structure)	Fixed.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Not applicable.
Day Count Basis (Actual/Actual)	Interest and all other charges shall accrue based on an actual/actual basis
Interest on Application Money	<p>(a) Interest at 1% (one percent) over and above the Interest Rate, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.</p> <p>(b) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.</p> <p>(c) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to each successful Applicant.</p>
Default Interest Rate	<p>(a) On the occurrence of a Payment Default, the Issuer agrees to pay additional interest at 5% (five percent) per annum above the Interest Rate on the Outstanding Principal Amounts, commencing from the date of occurrence of the Payment Default until such Payment Default is cured or the relevant Secured Obligations are repaid. It is clarified that there is no cure period in case of an occurrence of a Payment Default for the additional interest to be applicable in accordance with this paragraph (a).</p> <p>(b) In case of a breach of any covenants as set out in the transaction documents (including without limitation, the financial covenants set out under Section 6.2.2 (<i>Financial Covenants</i>)) and or the occurrence of any other Event of Default, the Issuer agrees to pay additional interest rate of 2% (two percent) per annum above the Interest Rate on the Outstanding Principal Amounts from the date of occurrence of such breach or Event</p>

	<p>of Default until such breach or Event of Default is cured or the relevant Secured Obligations are repaid.</p> <p>(c) In the event there is any delay in providing any of the information set out in Section 6.2.3 (<i>Reporting Covenants</i>) beyond the relevant timelines set out in respect of such item/information in in Section 6.2.3 (<i>Reporting Covenants</i>), the Issuer agrees to pay additional interest rate of 2% (two percent) per annum above the Interest Rate on the Outstanding Amounts for each day of delay until the date on which the relevant item/information is provided in accordance with Section 6.2.3 (<i>Reporting Covenants</i>).</p> <p>(d) In the event of any delay in the creation or perfection of the security interest in terms of the Deed of Hypothecation, the Issuer agrees to pay additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate in accordance with Section 6.2.4(n) (<i>Execution of Transaction Documents</i>).</p> <p>It is clarified that the payment of any additional interest in accordance with this sub-section shall be in addition to and independent of any additional interest payable by the Issuer in accordance with any other provision of the transaction documents.</p>
Tenor	24 (twenty four) months from the Deemed Date of Allotment.
Redemption Date(s)	<p>November 18, 2027.</p> <p>The redemption schedule is set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of this Key Information Document.</p>
Redemption Amount	<p>INR 10,000 (Indian Rupees Ten Thousand) per Debenture.</p> <p>The redemption schedule is set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of this Key Information Document.</p>
Redemption Premium/Discount	Not applicable.
Issue Price	INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
Discount at which security is issued and the effective yield as result of such discount	Not applicable.
Put Date	Not applicable.
Put Price	Not applicable.
Call Date	Not applicable.
Call Price	Not applicable.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not applicable.

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Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not applicable.
Face Value	INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
Minimum subscription amount and in multiples thereafter	1,000 (one thousand) Debentures of aggregate nominal value INR 1,00,00,000 (Indian Rupees One Crore) and in multiples of 1 (one) Debenture thereafter.
Issue Timing	
1. Issue Opening Date	November 18, 2025
2. Issue Closing Date	November 18, 2025
3. Date of earliest closing of the issue, if any.	Not applicable.
4. Pay-in Date	November 18, 2025
5. Deemed Date of Allotment	November 18, 2025
Settlement Mode of the Instrument	Please refer Section 7 (<i>Other Information and Application Process</i>) of the Key Information Document.
Depository	NSDL and CDSL.
Disclosure of Interest/Dividend/ redemption dates	The illustrative interest payment and redemption schedule is set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of the Key Information Document.
Record Date	means the date falling 15 (fifteen) calendar days prior to each Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>Representations and Warranties</p> <p>Please refer Section 6.2.1 of this Key Information Document.</p> <p>Financial Covenants</p> <p>Please refer Section 6.2.2 of this Key Information Document.</p> <p>Reporting Covenants</p> <p>Please refer Section 6.2.3 of this Key Information Document.</p> <p>Affirmative Covenants</p> <p>Please refer Section 6.2.4 of this Key Information Document.</p> <p>Negative Covenants</p> <p>Please refer Section 6.2.5 of this Key Information Document.</p>
Description regarding Security (where applicable) including type of security	<p>TRANSACTION SECURITY</p> <p>(a) The Debentures shall be secured on or prior to the Deemed</p>

<p>(movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document.</p>	<p>Date of Allotment by way of (i) a first ranking exclusive and continuing charge to be created in favour of the Debenture Trustee pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the Issuer in a form acceptable to the Debenture Trustee ("Deed of Hypothecation") over identified book debts/loan receivables of the Issuer as described therein, and, if so required, unencumbered fixed deposits, as more particularly set out in the Deed of Hypothecation (the "Hypothecated Assets") and (ii) such other security interest as may be agreed in writing between the Issuer and the Debenture Holders and/or the Designated Agent ((i) and (ii) are collectively referred to as the "Transaction Security").</p> <p>(b) The charge over the Hypothecated Assets shall, at all times until the Final Settlement Date, be (i) at least 1.10 (one decimal one zero) times the value of the aggregate of the Outstanding Amounts, and (ii) the principal amounts of the Client Loans comprising the Hypothecated Assets shall be at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts (the "Security Cover").</p> <p>(c) The value of the Hypothecated Assets for this purpose (for both initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Issuer.</p> <p>(d) The Issuer shall create the charge over the Hypothecated Assets on or prior to the Deemed Date of Allotment and perfect such security by filing Form CHG-9 with the ROC and by ensuring and procuring that the Debenture Trustee files Form I with CERSAI in respect thereof within the time period prescribed in the Deed of Hypothecation.</p>
	<p>Personal Guarantees</p> <p>The Debentures shall be supported/guaranteed by way of unconditional and irrevocable personal guarantees to be provided by the Personal Guarantors pursuant to the Personal Guarantees in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders), to be executed in a form and manner satisfactory to the Debenture Trustee.</p> <p>OTHERS</p> <p>(a) The Issuer shall provide, on or prior to the Deemed Date of Allotment, the Demand Promissory Note and the Letter of</p>

	<p>Continuity in favour of the Debenture Trustee in respect of the Debentures.</p> <p>(b) The Issuer shall provide, on or prior to the Deemed Date of Allotment, 32 (thirty two) duly filled undated cheques in favor of the Debenture Trustee for payments of the Outstanding Principal Amounts and the total interest amounts in respect of the Debentures.</p> <p>OTHER COVENANTS</p> <p>The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:</p> <p>(i) the Debentures shall be secured by way of a first ranking exclusive and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders on or prior to the Deemed Date of Allotment;</p> <p>(ii) the Debentures shall be guaranteed/supported by the Personal Guarantees provided/to be provided by each of the Personal Guarantors in favour of the Debenture Trustee for the benefit of the Debenture Holders;</p> <p>(iii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;</p> <p>(iv) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the Transaction Security;</p> <p>(v) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;</p> <p>(vi) to create the security over the Hypothecated Assets as contemplated in the transaction documents on or prior to the Deemed Date of Allotment by executing the duly stamped</p>
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	<p>Deed of Hypothecation;</p> <p>(vii) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto in accordance with the timelines set out in the Deed of Hypothecation;</p> <p>(viii) the Issuer shall, at the time periods set out in the Deed of Hypothecation, provide a list of the Hypothecated Assets to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover;</p> <p>(ix) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the transaction documents;</p> <p>(x) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;</p> <p>(xi) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;</p> <p>(xii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;</p> <p>(xiii) the Hypothecated Assets shall fulfil the eligibility criteria set out in the Deed of Hypothecation;</p> <p>(xiv) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Issuer to the Debenture Trustee and/or the Debenture Holders;</p> <p>(xv) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee to the extent of the</p>
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	<p>Outstanding Amounts of the Debentures under the DTD; and</p> <p>(xvi) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.</p> <p>SPECIFIC DISCLOSURES</p> <p>(a) Type of security: Book debts/loan receivables and/or fixed deposits (if any) of the Issuer.</p> <p>(b) Type of charge: Hypothecation.</p> <p>(c) Date of creation of security/ likely date of creation of security: On or prior to the Deemed Date of Allotment.</p> <p>(d) Minimum security cover: The charge over the Hypothecated Assets shall, at all times until the Final Settlement Date, be (i) at least 1.10 (one decimal one zero) times the value of the aggregate of the Outstanding Amounts, and (ii) the principal amounts of the Client Loans comprising the Hypothecated Assets shall be at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts.</p> <p>(e) Revaluation: N.A.</p> <p>(f) Replacement of security: The Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Deed of Hypothecation.</p> <p>(g) Interest over and above the coupon rate: In the event of any delay in the creation or perfection of the security interest in terms of the Deed of Hypothecation, the Issuer agrees to pay additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate in accordance with Section 6.2.4(n) (<i>Execution of Transaction Documents</i>).</p>
Transaction Documents	<p>means:</p> <p>(a) the Debenture Trust Deed;</p> <p>(b) the Debenture Trustee Agreement;</p> <p>(c) the Deed of Hypothecation;</p>

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	<p>(d) the Personal Guarantees;</p> <p>(e) the Debt Disclosure Documents;</p> <p>(f) the Demand Promissory Notes and the Letters of Continuity;</p> <p>(g) the letters issued by, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar;</p> <p>(h) each tripartite agreement between the Issuer, the Registrar and the relevant Depository;</p> <p>(i) the Resolutions;</p> <p>(j) any undertakings from the Issuer and/or the shareholders of the Issuer as are required by the Debenture Holders (if any); and</p> <p>(k) any other document that may be designated as a transaction document by the Debenture Trustee,</p> <p>and "Transaction Document" means any of them.</p>
<p>Conditions precedent to Disbursement</p>	<p>The Issuer shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee and/or the Designated Agent, on or prior to the Issue Opening Date, and shall submit and provide to the Debenture Trustee:</p> <p>CONSTITUTIONAL DOCUMENTS AND AUTHORISATIONS</p> <p>(a) a copy of the Constitutional Documents certified as correct, complete and in full force and effect by an appropriate officer of the Issuer and to the extent applicable, of the Holding Company. The articles of association of the Company shall contain an enabling provision for appointment of a Nominee Director in accordance with the transaction documents;</p> <p>(b) a copy of the resolution of the Issuer's board of directors/committee of the Issuer's board of directors authorising the execution, delivery and performance of the transaction documents certified as correct, complete and in full force and effect by an appropriate officer of the Issuer, together with the relevant filings (including, to the extent applicable, Form MGT-14) in respect of such resolution made with the ROC in accordance with the Companies Act;</p> <p>(c) (to the extent applicable) a copy of the resolution of the shareholders of the Issuer under Section 42 of the Companies Act, certified as correct, complete and in full force and effect by</p>

	<p>an appropriate officer of the Issuer, together with the relevant filings (including, to the extent applicable, Form MGT-14) in respect of such resolution made with the ROC in accordance with the Companies Act;</p> <p>(d) a copy of a resolution of the shareholders of the Issuer under Section 180(1)(c) of the Companies Act approving the borrowing contemplated under the transaction documents OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(c) of the Companies Act, together with the relevant filings (including, to the extent applicable, Form MGT-14) in respect of such resolution made with the ROC in accordance with the Companies Act;</p> <p>(e) a copy of a resolution of the shareholders of the Issuer under Section 180(1)(a) of the Companies Act approving the creation of security over the Hypothecated Assets OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(a) of the Companies Act, together with the relevant filings (including, to the extent applicable, Form MGT-14) in respect of such resolution made with the ROC in accordance with the Companies Act;</p> <p>TRANSACTION DOCUMENTS</p> <p>(f) execution, delivery and stamping of the transaction documents (including the Debt Disclosure Documents) in a form and manner satisfactory to the Debenture Trustee;</p> <p>INTERMEDIARY DOCUMENTS</p> <p>(g) a copy of the rating letter and/or the rating rationale issued in relation to the Debentures affirming/re-affirming a rating of at least BBB;</p> <p>(h) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue;</p> <p>(i) a copy of the consent from SKI Capital Services Limited to act as the merchant banker for the Issue;</p> <p>(j) a copy of the consent of the Registrar to act as the registrar and transfer agent for the Issue;</p> <p>(k) a copy of the tripartite agreement(s) executed between the Issuer, the Registrar and the relevant Depository;</p> <p>CERTIFICATES AND OTHERS</p>
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	<p>(l) the audited financial statements of the Issuer for the Financial Year ended March 31, 2025;</p> <p>(m) evidence that all 'know your customer' requirements to the satisfaction of the Debenture Trustee/the Applicants has been provided;</p> <p>(n) a certificate from a person that is a member of the management of the Issuer addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate, <i>inter alia</i>:</p> <p>(i) the persons authorised to sign the transaction documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories;</p> <p>(ii) the Issuer has the power under the Constitutional Documents to borrow amounts by way of the issuance of the Debentures and create the Transaction Security to secure such Debentures;</p> <p>(iii) the issuance of the Debentures and the creation of security over the Hypothecated Assets will not cause any limit, including any borrowing or security providing limit binding on the Issuer to be exceeded;</p> <p>(iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deed of Hypothecation;</p> <p>(v) each copy document provided pursuant the transaction documents is correct, complete and in full force and effect and has not been modified, amended, altered, rescinded or revoked;</p> <p>(vi) the representations and warranties contained in the transaction documents are true and correct in all respects;</p> <p>(vii) no Event of Default has occurred or is subsisting or would reasonably be expected to result from the execution or performance of any transaction documents or the issuance of the Debentures;</p> <p>(viii) no Material Adverse Effect has occurred;</p> <p>(ix) the Issuer and each of the Promoters of the Promoter Group is solvent for the purposes of Applicable Law;</p>
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	<p>(x) the value of the Hypothecated Assets is sufficient to at least maintain the Security Cover; and</p> <p>(xi) no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the transaction documents;</p> <p>(o) a certificate from each of the Guarantors addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate, <i>inter alia</i>:</p> <p>(i) each copy document relating to it provided by the Personal Guarantor or on behalf of the Personal Guarantor is correct, complete and in full force and effect;</p> <p>(ii) the representations and warranties contained in the Personal Guarantee are true and correct in all respect;</p> <p>(iii) no Material Adverse Effect has occurred in respect of the Personal Guarantor;</p> <p>(iv) the Personal Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder;</p> <p>(v) the Personal Guarantor is competent to contract for the purposes of Applicable Law;</p> <p>(vi) the Personal Guarantor is of sound mind and is not disqualified from contracting under Applicable Law; and</p> <p>(vii) no consents or approvals are required by the Personal Guarantor from its creditors or any Governmental Authority or any other person for the providing of the Personal Guarantee;</p> <p>(p) a copy of the letter or confirmation from the Issuer's bank(s), in a form acceptable to the Debenture Trustee, verifying the specimen signatures of the authorised signatories provided under sub-Paragraph (n)(i) above;</p> <p>(q) a copy of the in-principle approval provided by the NSE in respect of the listing of the Debentures within the timelines</p>
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	<p>prescribed under the SEBI Listing Timelines Requirements;</p> <p>(r) copies of the due diligence certificates from the Debenture Trustee in accordance with Chapter II (<i>Due Diligence by Debenture Trustees</i>) of the SEBI Debenture Trustees Master Circular and the SEBI NCS Regulations;</p> <p>(s) (if so required under applicable law) a copy of the due diligence certificate(s) from the merchant banker appointed in terms of the SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 3, 2024 on "<i>Reduction in denomination of debt securities and non-convertible redeemable preference shares</i>";</p> <p>(t) a certificate from an independent chartered accountant confirming as on the Deemed Date of Allotment/the date of the certificate that (i) the Issuer is solvent for the purposes of Applicable Law and no bankruptcy or Insolvency Related Event has been initiated or pending against the Issuer, (ii) there are no Tax dues or any other sums pending and payable by the Issuer under the Income Tax Act, 1961 and no claims, demands or notices have been received by the Issuer and/or the Promoter Group with respect to any Tax or any other sum payable by the Issuer under the Income Tax Act, 1961, and (iii) the Hypothecated Assets are free from any encumbrance;</p> <p>(u) the required details of the Hypothecated Assets in such manner and on such platform (electronic or otherwise) as may be required in accordance with Chapter III (<i>Security and Covenant Monitoring System</i>) of the SEBI Debenture Trustees Master Circular, including on the "<i>Distributed Ledger Technology</i>" (DLT) system";</p> <p>(v) evidence that all fees, costs and expenses (including applicable stamp duties) then due from the Issuer pursuant to the DTD have been or will be paid prior to the Deemed Date of Allotment;</p> <p>(w) procure and deliver to the Debenture Trustee 32 (thirty two) duly filled undated cheques in favor of the Debenture Trustee for payments of the Outstanding Principal Amounts and the total interest amounts in respect of the Debentures;</p> <p>(x) evidence that the credit score provided by any credit information bureau accredited with the RBI (including but not limited to TransUnion CIBIL Limited) in respect of the Issuer, the Promoters and the directors of the Issuer has been checked to the satisfaction of the Debenture Trustee;</p> <p>(y) copies of the net worth certificate of each Personal Guarantor as of the Quarterly Date immediately preceding the Effective</p>
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	<p>Date, duly certified by an independent chartered accountant; and</p> <p>(z) such other information, documents, certificates, opinions and instruments as the Debenture Holders/Debenture Trustee may reasonably request.</p>
Conditions Subsequent to Disbursement	<p>The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee:</p> <p>(a) the Issuer shall, on the Deemed Date of Allotment, provide a copy of the resolution of the Issuer's board of directors/committee of the Issuer's board of directors in respect of the allotment of the Debentures, certified as correct, complete and in full force and effect by an appropriate officer of the Issuer;</p> <p>(b) the Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under SEBI Listing Timelines Requirements and provide evidence that the depository accounts of the Debenture Holders with the Depositories has been credited with the Debentures within 2 (two) Business Days from the Deemed Date of Allotment or such further time period as may be agreed by the Parties;</p> <p>(c) the Issuer shall, on or prior to the utilisation of the Application Money received by the Issuer, or within 15 (fifteen) days of the allotment of the Debentures, whichever is earlier, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC along with a list of the Debenture Holders and with the prescribed fee;</p> <p>(d) if so required, the Issuer shall maintain and file a copy of Form PAS-5 in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures;</p> <p>(e) the Issuer shall in respect of the Transaction Security, file Form CHG-9 with the ROC and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each within 7 (seven) days (or such other time period as may be prescribed under Applicable Law) from the date of creation of the Transaction Security;</p>

	<p>(f) the Issuer shall make the application for listing of the Debentures and obtain listing of the Debentures on the wholesale debt market segment of the NSE within the timelines prescribed under the SEBI Listing Timelines Requirements (being on or prior to the expiry of 3 (three) Business Days from the "Issue Closing Date" set out in the Debt Disclosure Documents);</p> <p>(g) to the extent applicable and required under Applicable Law, the Issuer shall submit all information (including in relation to the security created under the transaction documents), and ensure and procure the completion of all relevant filings required to be made with any Information Utility in accordance with the (Indian) Insolvency and Bankruptcy Code, 2016 and any other rules and regulations made thereunder from time to time, within 30 (thirty) calendar days from the date of the Deed of Hypothecation, or such other time period as may be prescribed under Applicable Law;</p> <p>(h) the Issuer shall on or prior to making the application for listing, provide copies of the due diligence certificates from the Debenture Trustee in accordance with Chapter II (<i>Due Diligence by Debenture Trustees</i>) of the SEBI Debenture Trustees Master Circular and the SEBI NCS Regulations, as may be required for obtaining the listing of the Debentures;</p> <p>(i) within 30 (thirty) calendar days from the Deemed Date of Allotment, the Issuer shall provide a certificate from an independent chartered accountant and (if so required by the Debenture Trustee) the statutory auditor of the Issuer addressed to the Debenture Trustee confirming the utilisation of funds raised through the issue of Debentures for the Purpose;</p> <p>(j) the Issuer shall, within such time period as may be prescribed by the Debenture Trustee, provide evidence that stamp duty on the Debentures has been paid by the Issuer;</p> <p>(k) within 1 (one) Business Day of the audited financial statements as of March 31, 2025 being approved/adopted by the shareholders of the Issuer in their annual general meeting, the Issuer shall provide a copy of the audited financial statements of the Issuer for the Financial Year ended March 31, 2025; and</p> <p>(l) comply with such other condition and provide such other information and documents as the Debenture</p>
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	Holders/Debenture Trustee may reasonably request, or as may be required under Applicable Law.
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer Section 6.2.6 (<i>Event of Default</i>) of the Key Information Document.
Creation of recovery expense fund	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer sub-sections named " <i>Default Interest Rate</i> " above and Section 6.2.6 of the Key Information Document.
Provisions related to Cross Default	<p>(i) The Issuer:</p> <p>(A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or</p> <p>(B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity, and such Financial Indebtedness of the Issuer is declared to be due and payable; or</p> <p>(ii) Any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.</p> <p>(iii) The occurrence of any downgrade in the rating in respect of any securitisation transactions entered into by the Issuer as an originator and/or any securitisation transactions where the Issuer is a servicer.</p>

<p>Roles and Responsibilities of the Debenture Trustee</p>	<p>In addition to the powers conferred on the Debenture Trustee in the transaction documents and Applicable Law, and without limiting the liability of the Debenture Trustee, it is agreed as follows:</p> <ul style="list-style-type: none"> (a) the Debenture Trustee may, in relation to the transaction documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise. PROVIDED THAT, the Debenture Trustee shall at all times act with due care and diligence before relying upon any advice, opinion, information and communication received by it from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert its attorney, representative or receiver; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. (c) with a view to facilitating any dealing under any provisions of the transaction documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have the power (i) to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions), (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD, and (iii) to take any action on behalf of the Debenture Holders; (d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures; (e) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it and the Designated Agent shall, subject to the provisions of the Companies Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof;
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	<p>(f) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of the Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the transaction documents;</p> <p>(g) notwithstanding anything contained to the contrary in the transaction documents, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders and/or the Designated Agent;</p> <p>(h) the Debenture Trustee shall forward to the Debenture Holders and to the Designated Agent, copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer;</p> <p>(i) the Debenture Trustee shall obtain from the Issuer, on each Quarterly Date, a certificate from an independent chartered accountant certifying, <i>inter alia</i>, that (i) the assets of the Issuer are classified as "qualifying assets" (determined in accordance with the criteria prescribed by the RBI), (ii) the aggregate amount of loan extended for the purpose, and (iii) the pricing guidelines (if any) prescribed by the RBI are followed by the Issuer;</p> <p>(j) without prejudice to anything contained in this sub-section, the Debenture Trustee shall oversee and monitor the transaction contemplated in the transaction documents for and on behalf of the Debenture Holders; and</p> <p>(k) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under Chapter X (<i>Breach of Covenants, Default and Remedies</i>) and Chapter IV (<i>Recovery Expenses Fund</i>) of the SEBI Debenture Trustees Master Circular</p> <p>PROVIDED THAT nothing contained in this sub-section shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Applicable Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties under the transaction documents.</p>
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Risk factors pertaining to the issue	Please refer Section 3 of the Key Information Document.
Governing Law & Jurisdiction	<p>(a) The Debentures and the other transaction documents are governed by construed in accordance with the laws of India.</p> <p>(b) The Debenture Trustee and the Issuer agree that the courts and tribunals at New Delhi, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with the transaction documents ("Dispute"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "Proceedings") arising out of or in connection with the transaction documents may be brought in the courts and tribunals of New Delhi, India and the Issuer irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.</p> <p>(c) The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at New Delhi, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Issuer further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at New Delhi, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.</p> <p>(d) Nothing contained in this sub-section named "<i>Governing Law & Jurisdiction</i>", shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Issuer irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Issuer irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.</p> <p>(e) To the extent that the Issuer may in any jurisdiction claim for itself or its Assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its Assets such immunity (whether or not claimed), the Issuer hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.</p>

<p>Business Convention</p>	<p>Day</p> <p>(a) Interest and all other charges shall accrue based on an actual/actual basis.</p> <p>(b) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.</p> <p>(c) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.</p> <p>(d) If the Final Redemption Date or any other date on which the Debentures are redeemed in full (including in accordance with the section "<i>Early Redemption</i>" and/or the section "<i>Voluntary Redemption</i>" and/or the section "<i>Optionally Accelerated Redemption Event</i>" falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.</p>
<p>Early Redemption</p>	<p>(a) On the occurrence of the Early Redemption Event, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders), shall have the option (but not the obligation) to require the Issuer to, subject to Applicable Law, redeem all the Debentures and repay all other Outstanding Amounts, in accordance with this sub-section.</p> <p>(b) For the purposes of making any early redemption pursuant to this sub-section:</p> <p>(i) the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall notify/confirm to the Issuer in writing of its intention to exercise the early redemption option in accordance with this sub-section ("Early Redemption Notification");</p> <p>(ii) the Debenture Trustee shall provide a notice of at least 15 (fifteen) calendar days commencing from the date of the Early Redemption Notification in accordance with the requirements prescribed under the SEBI NCS Regulations, requiring the Company to prepay the Debentures and all other Outstanding Amounts thereof;</p> <p>(iii) the Issuer shall make payment of all the Outstanding Amounts to such accounts as may be prescribed by the Debenture Trustee or the Debenture Holders by no later than the expiry of the abovementioned period of 15 (fifteen) calendar days following the providing of a</p>

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	<p>notice pursuant to sub-paragraph (b)(ii) above; and</p> <p>(iv) the Issuer will comply with such other conditions as may be prescribed by the Debenture Trustee/Debenture Holders.</p> <p>(c) No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this sub-section on the occurrence of an Early Redemption Event pursuant to the downgrade in the rating of the Debentures by 1 (one) notch or more below "BBB" by the Rating Agency or any other rating agency</p> <p>(d) It is clarified that a prepayment penalty or prepayment premium (as may be prescribed by the Debenture Holders and/or the Designated Agent) will be applicable to any redemption in accordance with this sub-section on the occurrence of an Early Redemption Event (other than as set out in sub-Paragraph (c) above).</p>
Voluntary Redemption	<p>(a) On the occurrence of any Voluntary Redemption Event, subject to Applicable Law (including any prescriptions of the RBI on minimum original maturity of non-convertible debentures), the Issuer may voluntarily redeem the Debentures (in full and not in part) prior to the Final Redemption Date by providing in writing, a notice to the Debenture Trustee and the Debenture Holders, at least 30 (thirty) days prior to the date on which it proposes to redeem the Debentures ("Voluntary Redemption Date"). It is hereby clarified that no early redemption premium is payable in addition to the interest at the Interest Rate.</p> <p>(b) For the purposes of voluntarily prematurely redeeming the Debentures in accordance with this section:</p> <p>(i) the Issuer shall provide a notice to the Debenture Holders and the Debenture Trustee at least 21 (twenty one) calendar days prior to the last date of the exercise period commencing on the date that is 3 (three) Business Days prior to the Voluntary Redemption Date and expiring on the Voluntary Redemption Date ("Voluntary Redemption Exercise Period") informing the Debenture Holders and the Debenture Trustee of the Issuer's intention to redeem the Debentures and all other Outstanding Amounts ("Voluntary Redemption Notification").</p> <p>The Issuer shall provide any notice in accordance with this paragraph(b) in the following manner:</p>

	<p>(A) a soft copy of such notice shall be sent to the Debenture Holders who have registered their email address(es) either with the Issuer or with any Depository; and</p> <p>(B) a hard copy of the notice shall be sent to the Debenture Holders who have not registered their email address(es) either with the Issuer or with any Depository; and</p> <p>(ii) following the providing of the Voluntary Redemption Notification, the Issuer shall redeem the Debentures on the Voluntary Redemption Date by making payment of all Outstanding Amounts (along with the voluntary redemption premium set out in paragraph (b) above) in respect of the Debentures to the Debenture Holders by no later than the Voluntary Redemption Date, wherein the Issuer will make payment of aggregate of the Outstanding Principal Amounts and the accrued but unpaid interest under the Debentures within the exercise period of 3 (three) Business Days occurring on the expiry of a period of 30 (thirty) days following the date on which the notice is provided by the Issuer in accordance with paragraph (b).</p> <p>(c) Any notice given by Debenture Trustee under this section is irrevocable.</p> <p>(d) No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this provision (<i>Voluntary Redemption</i>).</p>
Optionally Accelerated Redemption	<p>(a) If any Optionally Accelerated Redemption Event occurs, any Debenture Holder (acting through the Debenture Trustee) shall have the option (but not the obligation) to instruct the Debenture Trustee to require the Issuer to, subject to Applicable Law, redeem all the Debentures held by such Debenture Holder and repay all relevant Outstanding Amounts to such Debenture Holder, in accordance with this provision (<i>Optionally Accelerated Redemption Option</i>).</p> <p>It is clarified that the optionally accelerated redemption option pursuant to this provision can be exercised by any Debenture Holder individually, and is not required to be exercised pursuant to the consent of the Majority Debenture Holders.</p> <p>(b) For the purposes of making any optionally accelerated redemption option pursuant to this provision:</p> <p>(i) the Debenture Trustee (acting on the instructions of the relevant Debenture Holders) shall notify/confirm to the Issuer in writing of the intention of such Debenture</p>

	<p>Holder to exercise the optionally accelerated redemption option in accordance with this provision ("Optionally Accelerated Redemption Notification");</p> <p>(ii) the Debenture Trustee shall provide a notice in accordance with the requirements prescribed under the SEBI NCS Regulations, requiring the Issuer to prepay the Debentures held by such Debenture and all other Outstanding Amounts thereof;</p> <p>(iii) the Issuer shall make payment of all the Outstanding Amounts to such accounts as may be prescribed by the Debenture Trustee or the relevant Debenture Holder within the time period set out in the Optionally Accelerated Redemption Notification; and</p> <p>(iv) the Issuer will comply with such other conditions as may be prescribed by the Debenture Trustee and/or the relevant Debenture Holder.</p> <p>(c) No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this provision (<i>Optionally Accelerated Redemption</i>).</p>
Designated Agent	<p>(a) By subscribing to any Debentures, the Debenture Holders have agreed and acknowledged that:</p> <p>(i) the Designated Agent is merely endeavouring to support smooth operations of the transactions contemplated in the Transaction Documents, and shall not be deemed to have assumed, any fiduciary, advisory, or other duty to any party; and</p> <p>(ii) notwithstanding anything in the transaction documents, the Designated Agent shall not be responsible or liable for any loss, damage, cost, or expense of any nature whatsoever (whether direct, indirect, consequential, or otherwise) arising out of or in connection with its role under the transaction documents, including but not limited to, any act or omission undertaken in good faith in the course of facilitating transactions contemplated herein.</p> <p>Without prejudice to the generality of the foregoing, the Designated Agent shall not be liable for any loss, including any loss suffered or incurred by the Debenture Trustee that arises as a result of the Debenture Trustee acting on any instruction, direction, or communication given or purported to be given by the Designated Agent.</p> <p>(b) The Debenture Trustee notes and acknowledges the</p>

	<p>appointment of the Designated Agent, and confirms that all matters requiring the approval of the Majority Resolution or a Special Resolution, and all matters requiring any instruction from the Majority Debenture Holders, the Special Majority Debenture Holders, all Debenture Holders, or any Debenture Holder will be referred to the Designated Agent. In the absence of any resolution of the Debenture Holders to the contrary, any responses or instructions received by the Debenture Trustee from the Designated Agent shall be considered as being provided by/on behalf of the relevant Debenture Holders as required under the Transaction Documents, and the Debenture Trustee shall give effect to all such matters based on the responses or instructions received from the Designated Agent.</p> <p>(c) All notices to any Debenture Holder shall be copied to the Designated Agent. Any notice received by the Debenture Trustee from the Designated Agent will be deemed to be a notice received from the Debenture Holders.</p> <p>(d) The Designated Agent will be entitled to act for and on behalf of all Debenture Holders unless the Debenture Trustee receives notice:</p> <p>(i) that the Designated Agent has resigned; or</p> <p>(ii) any Debenture Holder provides a notice to the Debenture Trustee that it has revoked the authorisation granted by it to the Designated Agent or that such Debenture Holder is a subsequent transferee after the Effective Date or that it has not authorised the Designated Agent to act on its behalf. It is clarified that in case of a notice under this sub-paragraph (d), the Designated Agent will be entitled to act for all other Debenture Holders.</p>
Additional Disclosures (Security Creation)	In the event of any delay in the creation or perfection of the security interest in terms of the Deed of Hypothecation, the Issuer agrees to pay additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate in accordance with Section 6.2.4(n) (<i>Execution of Transaction Documents</i>).
Additional Disclosures (Default in Payment)	On the occurrence of a Payment Default, the Issuer agrees to pay additional interest at 5% (five percent) per annum above the Interest Rate on the Outstanding Principal Amounts, commencing from the date of occurrence of the Payment Default until such Payment Default is cured or the relevant Secured Obligations are repaid. It is clarified that there is no cure period in case of an occurrence of a Payment Default for the additional interest to be applicable in accordance with this sub-section.

Additional Disclosures (Delay in Listing)	In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed.
Other disclosures in terms of the SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 3, 2024 on "Reduction in denomination of debt securities and non-convertible redeemable preference shares".	<p>(a) SKI Capital Services Limited, a Category I merchant banker registered with the SEBI has been appointed as the merchant banker for the purposes of this issuance in terms of the SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 3, 2024 on "Reduction in denomination of debt securities and non-convertible redeemable preference shares".</p> <p>(b) In terms of the SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 3, 2024 on "Reduction in denomination of debt securities and non-convertible redeemable preference shares", it is confirmed that:</p> <ul style="list-style-type: none"> (i) the Debentures are interest bearing, with regular interest payouts. Please refer Annexure IV (<i>Illustration of Bond Cash Flows</i>); (ii) the Debentures have a fixed maturity. Please refer Annexure IV (<i>Illustration of Bond Cash Flows</i>); and (iii) the Debentures do not have any structured obligations.

Note:

- a. If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.*
- b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.*
- c. While the debt securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.*
- d. The issuer shall provide granular disclosures in their Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

6.2 TERMS OF THE TRANSACTION DOCUMENTS

6.2.1. Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out in this Section 6.2.1 (*Representations and Warranties of the Issuer*) to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be deemed to be repeated on each day until the Final Settlement Date.

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(a) **Status**

- (i) It is a company, duly incorporated, registered and validly existing under Applicable Law.
- (ii) It is a non-banking financial company registered with the RBI.
- (iii) It has the power to own its Assets and carry on its business as it is being conducted.

(b) **Binding obligations**

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

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

The entry into and performance by it of, and the transactions contemplated by the transaction documents do not and will not conflict with:

- (i) any Applicable Law;
- (ii) the Constitutional Documents; or
- (iii) any agreement or instrument binding upon it or any of its Assets, including but not limited to any terms and conditions of the existing Financial Indebtedness of the Issuer.

(d) **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the transaction documents to which it is a party and the transactions contemplated by such transaction documents.

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

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

- (i) to enable it to lawfully enter into, exercise its rights and comply with its obligations under the transaction documents to which it is a party;
- (ii) to make the transaction documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) **No default**

- (i) No Event of Default or Potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any transaction documents or the issuance of the Debentures.

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- (ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) **Ranking**

The payment obligations of the Issuer under the transaction documents rank at least *pari passu* with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(h) **No proceedings pending**

As of the Effective Date, there is no pending or threatened litigation, investigation or proceeding that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Debentures.

(i) **No misleading information**

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission of material fact or otherwise.

(j) **Compliance**

- (i) The Issuer has complied with Applicable Law (including but not limited to taxation related laws for the Issuer to carry on its business, all directions issued by the RBI to non-banking financial companies and the SEBI Listed Debentures Circulars).
- (ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.
- (iii) No notice or other communication from any Governmental Authority has been issued or is outstanding or anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.
- (iv) The Issuer shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the NSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(k) **Assets**

Except for the security interests and encumbrances created and recorded with the ROC, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's

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length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) **Financial statements**

- (i) Its audited financial statements most recently provided to the Debenture Trustee as of March 31, 2025 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.
- (ii) Its audited financial statements as of March 31, 2025 provided to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(m) **Solvency**

- (i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the transaction documents.
- (ii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.
- (iii) The value of the Assets of the Issuer is more than its liabilities and it has sufficient capital to carry on its business.
- (iv) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.
- (v) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time).
- (vi) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(n) **Hypothecated Assets**

- (i) The Hypothecated Assets are the sole and absolute property of the Issuer and are free from any other mortgage, charge or encumbrance and are not subject to any *lis pendens*, attachment, or other order or process issued by any Governmental Authority.

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- (ii) All consents and approvals required (if any) by the Issuer from its creditors or any Governmental Authority or any other person in relation to the creation of security over the Hypothecated Assets have been obtained.
- (iii) The transaction documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the Hypothecated Assets and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.
- (iv) The Hypothecated Assets have been originated in the normal course of business, and are in conformity to the normal credit criteria adopted by the Issuer at the time of its sanction, and are in compliance with the eligibility criteria prescribed in the transaction documents.
- (v) No event of default, howsoever defined therein, has occurred in respect to any of the terms of the underlying loan agreements in respect of the Client Loans comprising the Hypothecated Assets.
- (vi) None of the underlying borrowers in respect of the Client Loans comprising the Hypothecated Assets have disputed any amounts due under the underlying loan agreements in respect of such Client Loans.
- (o) **Material Adverse Effect**
 - (i) No fact or circumstance, condition, proceeding or occurrence exists that has a Material Adverse Effect.
 - (ii) No Material Adverse Effect has occurred or would reasonably be expected to result from the execution or performance of any transaction documents or the issuance of the Debentures
- (p) **Illegality**

It is not unlawful or illegal for the Issuer to perform any of its obligations under the transaction documents .
- (q) **No filings or stamp taxes**

There are no stamp duties, registration, filings, recordings or notarizations before or with any Governmental Authority required to be carried out in India in relation to the execution and delivery of the transaction documents by the Issuer other than the:

 - (i) stamping of the transaction documents (on or prior to execution in New Delhi, India) in accordance with Indian Stamp Act, 1899 (as applicable to New Delhi, India);
 - (ii) payment of the stamp duty in respect of the Debentures;
 - (iii) filing of the return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC;

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- (iv) filing of the Debt Disclosure Documents (as applicable) with the relevant stock exchanges;
 - (v) filing of Form CHG 9 with the ROC within the time period set out in the Deed of Hypothecation; and
 - (vi) filing of Form I with CERSAI within the time period set out in the Deed of Hypothecation.
- (r) **Others**
- (i) The Issuer is aware and acknowledges that the Debenture Trustee has entered into the DTD and the Debenture Holders have subscribed/agreed to subscribe to the Debentures on the basis of and relying upon the representations, warranties, statements, covenants, agreements and undertakings on the part of the Issuer contained in the DTD, and that the Debenture Trustee would not have done so in the absence of such representations, warranties, statements, covenants, agreements and undertakings by the Issuer; and
 - (ii) The Issuer acknowledges and agrees that the Debenture Holders have the right to sell, transfer or assign the Debentures to any party as it may deem fit in accordance with the terms of the transaction documents and Applicable Law.

6.2.2. Financial Covenants

- (a) The Issuer shall, commencing from the Effective Date until the Final Settlement Date:
- (i) maintain a Capital Adequacy Ratio of more than 25% (twenty five percent) or such other higher threshold as may be prescribed by the RBI from time to time, wherein the Tier I Capital component of the Capital Adequacy Ratio is at least or above 20% (twenty percent);
 - (ii) maintain a ratio of A:B of not more than 3% (three percent), where A is the Gross NPA of the Issuer, and B is the Gross Loan Portfolio of the Issuer, multiplied by 100, and followed by the "%" symbol;
 - (iii) maintain a ratio of A:B of not more than 2% (two percent), where A is the Net NPA of the Issuer, and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol;
 - (iv) maintain a ratio of A:B of not more than of not more than 3 (three) times, where A is the Total Debt of the Issuer, and B is the Tangible Net Worth of the Issuer;
 - (v) maintain a Tangible Net Worth of at least INR 100,00,00,000 (Indian Rupees One Hundred Crore);
 - (vi) maintain, until the Final Settlement Date, liquidity in the form of Cash/Cash Equivalents, including any undrawn unconditional sanctioned limits (net of any additional cash security that may be applicable), of at least INR 20,00,00,000 (Indian Rupees Twenty Crore);
 - (vii) maintain a ratio of A:B of not more than of not more than 5% (five percent) times, where A is the aggregate of the Gross NPA of the Issuer, all write-offs (on the entire portfolio of the Issuer including receivables sold or discounted on non-recourse basis) for the trailing 12

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- (twelve) months, and the amounts of all outstanding security receipts on the books of the Issuer, and B is the Gross Loan Portfolio of the Issuer, multiplied by 100, and followed by the "%" symbol;
- (viii) maintain a ratio of A:B of more than 50% (fifty percent), where A is the Gold Loan Portfolio of the Issuer, and B is the Gross Loan Portfolio of the Issuer, multiplied by 100, and followed by the "%" symbol;
 - (ix) maintain, until the Final Settlement Date, a minimum rating of at least "BBB" (pronounced as "Triple B") in respect of the Debentures;
 - (x) ensure that the cumulative mismatch/difference in the asset-liability management statement in all time buckets (determined in accordance with the NBFC Directions) is positive. Undrawn sanctions will be excluded for the purpose of the calculation of the financial covenant under this paragraph (x);
 - (xi) ensure that the profit after tax (PAT) of the Issuer, as determined in accordance with Applicable Accounting Standards, is not negative for the previous 4 (four) consecutive quarters put together as determined on a quarterly basis; and
 - (xii) comply with such other financial covenants as may be agreed between the Issuer and the Debenture Holders from time to time.
- (b) The financial covenants set out in this Section 6.2.2 (*Financial Covenants*) shall be tested on the Effective Date (other than as otherwise set out in this paragraph (b)), and thereafter on a quarterly basis on the Quarterly Dates, until the Final Settlement Date, on the basis of the standalone financial statements of the Issuer. The first date of testing in respect of the financial covenant set out herein shall be December 31, 2025. The financial covenants set out in this Section 6.2.2 (*Financial Covenants*) shall be certified within the time periods prescribed under and in accordance with paragraph(a)(iii) and paragraph(b)(vi).
- (c) The Debenture Trustee may approve any application for consent/waiver in respect of any of the financial covenants set out under this Section 6.2.2 (*Financial Covenants*), in accordance with the terms of the DTD and Applicable Law.

6.2.3. Reporting Covenants

The Issuer shall provide or cause to be provided to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (a) as soon as available, and in any event within 90 (ninety) calendar days after the end of each Financial Year of the Issuer:
 - (i) certified copies of its audited standalone and consolidated (if any) financial statements for its most recently completed Financial Year, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow. A copy of the Annual Report of the Issuer for its most recently completed Financial Year may be provided within 180 (one hundred and eighty) calendar days after the end of each

Financial Year of the Issuer.

- (ii) in respect of the Holding Company, certified copies of the audited standalone and consolidated (if any) financial statements for the most recently completed Financial Year, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow. A copy of the Annual Report of the Holding Company for its most recently completed Financial Year may be provided within 180 (one hundred and eighty) calendar days after the end of each Financial Year of the Holding Company.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof; and

- (iii) a certificate signed by an independent chartered accountant confirming that the Issuer is in compliance with all the financial covenants prescribed in Section 6.2.2 (*Financial Covenants*) determined on the basis of the audited financial statements set out in paragraph (a)(i) above;
 - (iv) a certificate signed by an independent chartered accountant confirming that (A) the Debentures are secured by way of a first ranking exclusive and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders, and (B) the value of Hypothecated Assets is sufficient to maintain the Security Cover. The certificate provided in accordance with this paragraph (iii) should also contain, *inter alia*, details of receivables/book debts comprising the Hypothecated Assets (i.e. loan ID, location, amount sanctioned, amount outstanding, overdue status etc.);
 - (v) a copy of the annual business plan of the Issuer as approved by the board of directors of the Issuer; and
 - (vi) such additional information or documents as the Debenture Trustee may reasonably request;
- (b) within 45 (forty five) calendar days after each Quarterly Date:
- (i) certified copies of its un-audited standalone and consolidated (if any) quarterly financial statements for the preceding financial quarter, prepared in accordance with Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;
 - (ii) such other operational metrics in respect of the Issuer and, if applicable, the Holding Issuer, as may be required by the Debenture Trustee from time to time, and in such formats as may be prescribed by the Debenture Trustee, including but not limited to (A) capital structure, (B) shareholding pattern including any change in the shareholding pattern, (C) capital adequacy ratio (CRAR) along with backup calculations, (D) detailed business projections, (E) portfolio cuts (for overall, and own portfolio), (F) monthly portfolio delinquencies (with days past due bucketisation), (G) vintage data (by product static pool analysis), (H) monthly

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- collections efficiency (including impact of prepayments and overdue collections), (I) write-offs, (J) transactions with any Related Party and outstanding balances, (K) returns filed with the RBI, (L) top 20 (twenty) borrowers of the Issuer, and (M) operations data.
- (iii) details of (A) any Change of Control, (B) any change in the voting rights of the Issuer, and (C) change in the seats held by the Promoter Group on the board of directors of the Issuer;
 - (iv) a copy of the asset liability mismatch (ALM) report/statements of the Issuer prepared in such form and manner as prescribed by the RBI;
 - (v) details of any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer declared to be due and payable or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof;
 - (vi) a certificate signed by (A) an independent practicing chartered accountant, and (B) the chief financial officer and/or an authorised signatory of the Issuer, confirming that the Issuer is in compliance with all the financial covenants prescribed in Section 6.2.2 (*Financial Covenants*) determined on the basis of the financial statements set out in paragraph (b)(i) and (b)(ii) above, in such form as may be acceptable to the Debenture Trustee. PROVIDED THAT in respect of the financial quarter ending on March 31 of each Financial Year, the certificate confirming the compliance with the financial covenants prescribed in Section 6.2.2 (*Financial Covenants*) will be provided in accordance with paragraph(a)(iv) above;
 - (vii) a certificate signed by an independent chartered accountant certifying the book debts/loan receivables in relation to the Hypothecated Assets;
 - (viii) details of the latest borrowing profile of the Issuer comprising information in respect of the lenders, nature of loans, interest rates (including returns on investments), tenure, security cover, prepayment, closure of any Financial Indebtedness during the preceding quarter etc.;
 - (ix) without prejudice to paragraph (a)(iv) above, a certificate signed by an independent chartered accountant confirming that (A) the Debentures are secured by way of a first ranking exclusive and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders, and (B) the value of Hypothecated Assets is sufficient to maintain the Security Cover. The certificate provided in accordance with this paragraph (viii) should also contain, *inter alia*, details of receivables/book debts comprising the Hypothecated Assets (i.e. loan ID, location, amount sanctioned, amount outstanding, overdue status etc.); and;
 - (x) such other portfolio information and operational metrics in respect of the Issuer, as may be required by the Debenture Trustee from time to time, and in such formats as may be prescribed by the Debenture Trustee;
- (c) within 30 (thirty) calendar days after each month:
- (i) details of the Hypothecated Assets (including book debts/receivables statements and debtor summary etc.), showcasing that the Security Cover is maintained, in such form and manner

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- acceptable to the Debenture Trustee (acting on the instructions of the Debenture Holders);
and
- (ii) progress performance reports in such form and manner as may be specified by the Debenture Trustee (acting on the instructions of the Debenture Holders) from time to time;
- (d) as soon as practicable and in any event within 5 (five) Business Days of the occurrence of the following events or such other timelines (if any) prescribed by SEBI, whichever is lower, the details of:
- (i) any material change in the Issuer's shareholding structure such that the shareholding of any shareholder of the Issuer changes by more than 5% (five percent);
 - (ii) any change in the composition of the board of directors;
 - (iii) any change in the Constitutional Documents of the Issuer;
 - (iv) any change in the board of directors or the key managerial personnel (as defined in the Companies Act) of the Issuer or the chief executive officer (CXO) or equivalent;
 - (v) any change in the accounting policy of the Issuer which, in the determination of the Issuer, may have a Material Adverse Effect. PROVIDED THAT the foregoing does not apply to a change in the accounting policy of the Issuer pursuant to Applicable Law;
 - (vi) any fraud; and
 - (vii) any new segment of business other than the business carried out by the Issuer as on the Deemed Date of Allotment;
- (e) as soon as practicable, and in any event within 5 (five) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
- (f) as soon as practicable, and in any event within 5 (five) Business Days after the Issuer obtains actual knowledge thereof, any notices, orders or directions any court or tribunal in relation to any dispute, litigation, investigation or other proceeding, which, if adversely determined, could result in a Material Adverse Effect;
- (g) as soon as practicable, and in any event within 5 (five) Business Days after the Issuer obtains actual knowledge thereof, notice of the occurrence of any Event of Default or Potential Event of Default including any steps taken to cure such event;
- (h) as soon as practicable, and in any event within 5 (five) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer declared to be due and payable or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof including the details of any prepayment of any Financial Indebtedness, or the receipt of notice of any Financial Indebtedness of the Issuer declared to be due and payable or required to be prepaid, on account of the occurrence of an Event of Default or any breach of terms and conditions

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under the transaction documents of the relevant instance of Financial Indebtedness;

- (i) as soon as practicable, and in any event within 5 (five) Business Days of occurrence (A) any recall or acceleration of any Financial Indebtedness by any provider of any Financial Indebtedness, (B) after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to be accelerated/become due prior to its stated maturity in respect of the Issuer;
- (j) as soon as practicable, and in any event within 1 (one) calendar day of receiving any notice of any application for winding up/insolvency having been made or any notice of winding up or insolvency under the provisions of the Companies Act or the (Indian) Insolvency and Bankruptcy Code, 2016 or any other statute relating to winding up/insolvency or otherwise of any suit or other legal process intended to be filed or initiated against the Issuer;
- (k) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
- (l) submit a certificate from the statutory auditor on a half yearly basis, giving the value of receivables/book debts, and maintenance of security cover in accordance with the terms of the Debt Disclosure Documents and the other transaction documents including compliance with the covenants of the Debt Disclosure Documents and the other transaction documents in the manner as may be specified by SEBI from time to time;
- (m) without prejudice to paragraphs (n) and (o) below, within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Issuer;
- (n) without prejudice to paragraph (m) above and paragraph (o) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and
- (o) as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the SEBI Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

6.2.4. Affirmative Covenants

The Issuer shall:

(a) ***Use of Proceeds***

use the proceeds of the Issue only for the Purpose and in accordance with Applicable Law and the transaction documents;

(b) ***Loss or Damage by Uncovered Risks***

promptly inform the Debenture Trustee and the Debenture Holders of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties;

(c) ***Costs and Expenses***

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

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

pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable;

(e) ***Preserve Corporate Status***

- (i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;
- (ii) comply with all acts, authorisations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority; and
- (iii) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;

(f) ***Pay Stamp Duty***

pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(g) ***Furnish Information to Debenture Trustee***

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- (i) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Issuer or to investigate the affairs of the Issuer;
- (ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;
- (iii) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require for the purpose of filing any relevant forms with any Governmental Authority (including but not limited to the CERSAI) in relation to the Debentures and the Hypothecated Assets;
- (iv) furnish quarterly reports to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:
 - (A) updated list of the names and addresses of the Debenture Holders;
 - (B) details of the interest due, but unpaid and reasons thereof;
 - (C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Issuer along with the reasons for the same; and
 - (D) a statement that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due; and
- (v) inform and provide the Debenture Trustee with applicable documents in respect of the following:
 - (A) notice of any Event of Default or Potential Event of Default; and
 - (B) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the NSE;

(h) ***Redressal of Grievances***

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

(i) ***Comply with Investor Education and Protection Fund Requirements***

comply with the provisions of the Companies Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("IEPF"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final

Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority;

(j) ***Corporate Governance; Fair Practices Code***

comply with any corporate governance requirements applicable to the Issuer (as may be prescribed by the RBI, SEBI, any stock exchange, or any other Governmental Authority) and the fair practices code prescribed by the RBI;

(k) ***Further Assurances***

- (i) provide details of any material litigation, arbitration or administrative proceedings;
- (ii) comply with any monitoring and/or servicing requests/calls from the Debenture Trustee on a quarterly basis and at such other time periods as the Debenture Trustee may reasonably request;
- (iii) execute and/or do, at its own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- (iv) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations and licenses necessary to enable it to lawfully enter into and perform its obligations under the DTD or to ensure the legality, validity, enforceability or admissibility in evidence in India of the DTD;
- (v) comply with:
 - (A) all Applicable Law (including but not limited to the Companies Act, the environmental, social and taxation related laws, all directions issued by the RBI to non-banking financial companies), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;
 - (B) the SEBI Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 of the SEBI Debenture Trustees Regulations thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
 - (C) (if applicable) the liquidity coverage ratio applicable to the Issuer as prescribed by the RBI (in accordance with the criteria prescribed by the RBI);
 - (D) the provisions of the Companies Act in relation to the Issue;
 - (E) procure that the Debentures are rated and continue to be rated until the Final

Settlement Date;

- (F) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Issuer shall do so in the manner that is in accordance with Applicable Law relating to Tax but without, in any way requiring the Issuer to incur any additional costs, expenses or taxes and the Issuer shall avail of all the benefits available under any treaty applicable to the Issuer and/or the Debenture Holders; and
- (G) if so required, the terms of Chapter XI (*Operational framework for transactions in defaulted debt securities post maturity date/ redemption date*) of the Listed NCDs Master Circular, and provide all details/intimations to the Debenture Trustee, the Depositories, and NSE (as the case may be) in accordance with the provisions therein;
- (vi) to the extent applicable, it will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Issuer giving the value of receivables/book debts; and
- (vii) it will provide all necessary assistance and cooperation to, and permit the Debenture Trustee to conduct periodical checks, verifications, due diligence and other inspections (at such frequency and within such timelines as may be determined by the Debenture Trustee) in respect of the books and accounts of the Issuer and the Hypothecated Assets;

(I) **Security and Personal Guarantees**

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

- (i) the Debentures shall be secured by way of a first ranking exclusive and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders on or prior to the Deemed Date of Allotment;
- (ii) the Debentures shall be guaranteed/supported by the Personal Guarantees provided/to be provided by each of the Personal Guarantors in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (iii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;
- (iv) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the Transaction Security;
- (v) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;

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- (vi) to create the security over the Hypothecated Assets as contemplated in the transaction documents on or prior to the Deemed Date of Allotment by executing the duly stamped Deed of Hypothecation;
 - (vii) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto in accordance with the timelines set out in the Deed of Hypothecation;
 - (viii) the Issuer shall, at the time periods set out in the Deed of Hypothecation, provide a list of the Hypothecated Assets to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover;
 - (ix) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the transaction documents;
 - (x) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;
 - (xi) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;
 - (xii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;
 - (xiii) the Hypothecated Assets shall fulfil the eligibility criteria set out in the Deed of Hypothecation;
 - (xiv) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Issuer to the Debenture Trustee and/or the Debenture Holders;
 - (xv) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Issuer which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under the DTD; and
 - (xvi) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;
- (m) ***Filings; Compliance with NSE requirements***

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

- (i) the Issuer shall comply with the relevant provisions of the SEBI LODR Regulations applicable

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to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations;

- (ii) it will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with Chapter VI (*Periodical/ Continuous Monitoring by Debenture Trustee*) of the SEBI Debenture Trustees Master Circular, the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to NSE in accordance with Chapter VI (*Periodical/ Continuous Monitoring by Debenture Trustee*) of the SEBI Debenture Trustees Master Circular:
- (A) a security cover certificate on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Debenture Trustees Master Circular;
 - (B) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
 - (C) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
 - (D) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law;
 - (E) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or within such timelines as prescribed under Applicable Law; and
 - (F) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy

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five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law;

- (iii) it will submit to the NSE, on a periodical basis and/or on an 'as and when' basis (depending upon the occurrence of any event), such information as prescribed under the SEBI Centralized Database Requirements, in such format as may be prescribed by the NSE;
- (iv) it will provide/fill all such information as prescribed under the SEBI Centralized Database Requirements at the time of allotment of the International Securities Identification Number (ISIN) in respect of the Debentures;
- (v) it will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Issuer giving the value of receivables/book debts including compliance with the covenants set out in the Debt Disclosure Documents in such manner as may be specified by SEBI from time to time;
- (vi) (if so required) it will submit to the Debenture Trustee, on an annual basis, a certificate from the statutory auditor of the Issuer in relation to the value of the book debts/receivables comprising the Hypothecated Assets; and
- (vii) it will provide such assistance as may be required by the Debenture Trustee to, prior to the creation of charge to secure the Debentures, exercise independent due diligence to ensure that such security is free from any encumbrance or that the necessary consent(s) from other charge-holders (if applicable) have been obtained in the manner as may be specified by the SEBI from time to time;

(n) ***Execution of Transaction Documents***

in the event of any delay in the execution of any transaction document (including the DTD, or the Deed of Hypothecation or the Personal Guarantees) or the creation or perfection of security in terms thereof, the Issuer will, at the option of the Debenture Holders, either:

- (i) if so required by the Debenture Holders, refund the Application Money together with interest (including interest accrued) at the Interest Rate/dischARGE the Secured Obligations; and/or
- (ii) pay to the Debenture Holders additional interest at the rate of 2% (two percent) per annum on the Outstanding Principal Amounts in addition to the Interest Rate until the relevant transaction document is duly executed or the security is duly created or perfected (as the case may be) in terms thereof or the Secured Obligations are discharged (whichever is earlier);

(o) ***Internal Control***

maintain internal control for the purpose of:

- (i) preventing fraud on amounts lent by the Issuer; and

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- (ii) preventing money being used for money laundering or illegal purposes;

(p) ***Audit and Inspection***

- (i) permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and other authorised representatives of the Debenture Holders at such time periods as may be required by them. PROVIDED THAT the foregoing may be conducted after providing a prior intimation of 7 (seven) Business Days; and
- (ii) permit the Debenture Holders and/or the Debenture Trustee to conduct discretionary audit or monitoring visits on the Issuer (including any branch of the Issuer) on a quarterly basis or such other frequency as may be decided by the Debenture Holders. PROVIDED THAT any discretionary audit or monitoring visit may be conducted after providing an intimation of 7 (seven) Business Days prior to the date on which such audit or monitoring visit is to be conducted;

(q) ***Rating***

maintain a minimum rating of at least "BBB" (pronounced as "Triple B") in respect of the Debentures until the Final Settlement Date; and

(r) ***Diligence***

permit the Debenture Trustee (acting on behalf of the Debenture Holders) to carry out legal, financial, business, tax and commercial due diligence on the Issuer and its business and operations prior to entering into any of the transactions contemplated under the transaction documents.

(s) ***Shareholding Covenants***

- (i) Mr. Gopal Bansal shall continue to hold an executive position in the Issuer until the Final Redemption Date;
- (ii) Mrs. Sunita Bansal shall continue to hold an executive position in the Issuer until the Final Redemption Date;
- (iii) without prejudice to paragraph (i) and (ii) above, each of Mr. Gopal Bansal and Mrs. Sunita Bansal shall continue to hold a position on the board of directors of the Issuer until the Final Redemption Date.

(t) ***Management Covenant***

ensure and procure that if any corporate guarantee(s) is provided by the Holding Issuer in respect of any Financial Indebtedness availed by the Issuer from any other person (except from any public sector banks), the Issuer shall ensure that the Holding Company shall also provide a similar guarantee in favour of the Debenture Trustee guaranteeing the Secured Obligations in a form and manner acceptable to the Debenture Trustee, within 30 (thirty) calendar days of providing such corporate guarantee to such other person.

6.2.5. **Negative Covenants**

The Issuer shall not, and shall ensure and procure that the Holding Company (if any) shall not, take any action in relation to the items set out in this Section 6.2.5 (*Negative Covenants*) without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders). It is clarified that the Debenture Trustee shall be provided access to such additional information that it may deem necessary for the purposes of monitoring and evaluating the compliance of the Issuer with the items set out in this Section 6.2.5 (*Negative Covenants*).

Any request under this Section 6.2.5 (*Negative Covenants*) must be accompanied by all relevant information substantiating the request to enable the Debenture Holders to make a reasoned decision.

In the event the Issuer seeks the written consent of the Debenture Trustee and/or Designated Agent in relation to any matter under this 6.2.5 (*Negative Covenants*), and the Debenture Trustee and/or the Designated Agent do not provide a written response within a period of 21 (twenty one) days from the date of receipt of a written request from the Issuer (together with all information and documents required for evaluation of such request), the Issuer may proceed with the matter for which such consent has been requested, PROVIDED THAT:

- (A) the Issuer has furnished to the Debenture Trustee and/or Designated Agent all relevant and complete information/documents pertaining to the proposed action; and
- (B) all requirements prescribed under Applicable Law to convene the meeting of the board of directors or the shareholders of the Issuer in relation to approve the proposed action, have duly been completed.

Notwithstanding anything to the contrary contained herein, if the Debenture Trustee and/or the Designated Agent expressly provide a rejection or refusal to the matter for which such consent has been requested, and the Issuer has complied with the requirements set out in sub-paragraph (A) and (B) above, the Issuer shall have the right (but not the obligation) to, subject to Applicable Law, voluntarily prepay all outstanding Debentures held by the Debenture Holders without payment of any prepayment penalty, by giving not less than 14 (fourteen) days prior written notice to the Debenture Trustee and the Designated Agent and in accordance with the requirements prescribed under the SEBI NCS Regulations.

PROVIDED FURTHER THAT no prior consent of the Debenture Trustee shall be required only in respect of such deviations from the items set out in this Section 6.2.5 (*Negative Covenants*) as are strictly necessary to give effect to, or to comply with, the legal, regulatory, or procedural requirements arising in connection with, the proposed or upcoming initial public offering (IPO) of the equity shares of the Issuer, including (i) reclassification or reorganization of share capital, (ii) alteration of the shareholding pattern (including the stake held by Holding Company) pursuant to pre-IPO placements or regulatory requirements, and (iii) amendments to the Constitutional Documents of the Issuer to ensure compliance with the requirements prescribed by SEBI, the stock exchanges, or any other Governmental Authority. For the avoidance of doubt, any actions or deviations not strictly necessitated by, or directly attributable to, such IPO process shall continue to require the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) in accordance with this Section 6.2.5 (*Negative Covenants*).

(a) ***Change of Business; Constitutional Documents***

- (i) change the general nature of its business from that which is permitted as a non-banking financial company registered with the RBI, other than as mandatorily required under Applicable Law. It is clarified that any change in the segment-wise distribution of loans against property (LAP) or any other NBFC businesses of the Issuer shall not be considered a material change in the business model of the Issuer, unless it has a Material Adverse Effect on the Issuer; or
- (ii) any changes, amendments, or modifications to its Constitutional Documents other than:
 - (A) any change, amendment, or modification to effect an increase in the authorised share capital of the Issuer or any change, amendment, or modification which reflects the terms of any equity infusion or strategic sale; or
 - (B) any change, amendment, or modification which does not have a Material Adverse Effect;

(b) ***Dividend/Withdrawal of Funds***

- (i) declare or pay any dividend to its shareholders (including holders of preference shares) during any Financial Year unless such dividend is out of the profits of the Issuer relating to the Financial Year in which such dividend is being made or it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the Debenture Holders/Debenture Trustee up to the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof; or
- (ii) if an Event of Default has occurred and is continuing, declare or pay any dividend to its shareholders (including holders of preference shares and other instruments compulsorily convertible into equity shares) and or withdraw any amounts out of the profits of the Issuer relating to the Financial Year in which such Event of Default has occurred and is continuing;

(c) ***Merger, Consolidation, etc.***

- (i) in any Financial Year undertake or permit any scheme of, expansion, or enter into any, merger, acquisition, re-structuring or amalgamation; or
- (ii) other than as set out in sub-Clause (i) above, undertake or permit any scheme of expansion, or enter into, any merger, de-merger, consolidation, re-organisation, or scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or restructuring, or pass any resolution for voluntary winding up .

PROVIDED FURTHER THAT any of the above shall be subject to compliance with the requirements prescribed by SEBI in respect of entities which have listed their non-convertible securities;

(d) ***Change in Capital Structure***

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- (i) permit or undertake any change in the capital structure of the Issuer that would lead to a reduction in the share capital of the Issuer by way of, *inter alia*, any purchase, buyback, or redemption of any of its issued shares, other than in respect of any buyback of equity shares issued and/or allotted pursuant to the Issuer's and/or the Holding Company's (if any) employee stock option scheme(s); or
 - (ii) purchase, redeem, buyback, defease, retire, return or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing;
- (e) ***Change of Control***
 - (i) permit the occurrence of any Change of Control of the Issuer from that subsisting as of the Deemed Date of Allotment;
 - (ii) permit the occurrence of, or permit any change in the ownership of the Issuer by way of acquisition or entitlement to more than 25% (twenty five percent) of the shareholding, or capital, or profits of the Issuer by any natural person(s), whether acting alone or together, or through one or more juridical persons;
 - (iii) permit any equity infusion in the Issuer which would result in the aggregate shareholding of the Promoter Group falling below 90% (ninety percent) of the aggregate shareholding of the Issuer (on a fully diluted basis));
- (f) ***Disposal of Assets***
 - (i) sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Issuer (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect), other than any securitization/portfolio sale of assets undertaken by the Issuer in its ordinary course of business;
 - (ii) any sale of assets or business or division of the Issuer that has the effect of exiting or restructuring of the existing business of the Issuer; and
 - (iii) sell, transfer, or otherwise dispose of in any manner the Hypothecated Assets that would result in the value of the Hypothecated Assets falling below the Security Cover;
- (g) ***Compromises with Creditors or Shareholders***
 - (i) dispose of its assets or compromise with any of its creditors, except in the ordinary course of business, and pursuant to the reasonable requirements of the Issuer's or the Holding Issuer's (if applicable) business and upon fair and reasonable terms; or
 - (ii) enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes;
- (h) ***Related Party Transactions***

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enter into any transactions with any Related Party or any transactions that are classified as "related party transactions" for the purposes of the Applicable Accounting Standards, except in accordance with Applicable Law, or enter into any transaction(s):

- (i) whereby the overall outstanding amounts owed to the Issuer under all such transactions exceed 10% (ten percent) of the Issuer's Net Worth;
- (ii) whereby the overall expenses incurred in respect of such transactions in any Financial Year exceed 10% (ten percent) of the Issuer's revenue (as determined in accordance with the Applicable Accounting Standards); or
- (iii) in respect of providing any guarantee for any Financial Indebtedness of a Related Party.

(i) **Business**

undertake any new major new businesses except in relation to financial services or diversify its business outside the financial services sector;

(j) **Loans and Guarantees**

- (i) extend a loan to any single individual or entity amounting to greater than 2% (two percent) of the Tangible Net Worth of the Issuer; and/or
- (ii) to guarantee the liabilities of any individual or entity (including any related party).

It is clarified that the Holding Company shall not provide any guarantee to any individual or entity (except in respect of any Financial Indebtedness availed by the Issuer from public sector banks) without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders and/or the Designated Agent).

(k) **Ordinary Course of Business**

enter into or perform any transaction other than in the ordinary course of business of the Issuer;

(l) **Shareholding Covenants**

the Issuer shall ensure and procure that, until the Final Settlement Date:

- (i) without the prior consent of the Debenture Trustee (in the manner prescribed under this Section 6.2.5 (*Negative Covenants*)), the key shareholders of the Issuer (being India Finsec Limited, Gopal Bansal, Sunita Bansal, and Gopal Bansal (HUF)), shall not transfer or encumber more than 10% (ten percent) of the equity shareholding held by them in the Issuer (on a fully diluted basis));
- (ii) without the prior consent of the Debenture Trustee (in the manner prescribed under this Section 6.2.5 (*Negative Covenants*)), the aggregate shareholding of the Promoter Group shall not fall below 90% (ninety percent) of the total shareholding held by the Promoter Group collectively in the Issuer (on a fully diluted basis); and;

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- (iii) without the prior consent of the Debenture Trustee (in the manner prescribed under this Section 6.2.5 (*Negative Covenants*)), the shareholding of India Finsec Limited shall not fall below 51% (fifty one percent) of the total shareholding held by India Finsec Limited in the Issuer (on a fully diluted basis);

(m) **Immunity**

claim for itself or any of its assets, any immunity from any legal action, including suit, execution, attachment (whether in aid of execution, before judgment or otherwise), or any other legal process in any jurisdiction.

6.2.6. **Events of Default**

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

If one or more Events of Default occur(s), the Debenture Trustee may, on the instructions of the Majority Debenture Holders and/or Designated Agent, in accordance with the DTD, by a notice in writing to the Issuer initiate the following course of action:

- (a) require the Issuer to mandatorily redeem the Debentures and repay the Outstanding Principal Amounts, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with the DTD and the other transaction documents. It is clarified that no prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this paragraph(a);
- (b) accelerate the redemption of the Debentures and declare all or any of the Debentures to be due and payable immediately (or on such date(s) as may be prescribed by the Debenture Trustee), whereupon it shall become so due and payable;
- (c) enforce the security interest created under the transaction documents (including in respect of the Transaction Security) in accordance with the terms of the transaction documents;
- (d) invoke/enforce the Personal Guarantees provided by the Personal Guarantors or any other guarantee provided pursuant to the DTD and the transaction documents in accordance with the terms thereof;
- (e) deliver/present the Demand Promissory Note;
- (f) appoint any independent agency to inspect and examine the working of the Issuer and give a report to the Debenture Holders/the Debenture Trustee. The Issuer shall provide its full co-operation and necessary assistance to such agency and bear all costs and expenses of examination, including the professional fees, travelling and other expenses;
- (g) appoint a nominee director in accordance with the transaction documents;
- (h) take any actions in respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular in accordance with the provisions of the DTD (including paragraph 21A of Schedule II); and

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- (i) take all such other action, and exercise such other right as is permitted under the DTD, the other transaction documents or under Applicable Law, including any action that may be required for the purposes of protecting the interests of the Debenture Holders.

Without prejudice to the above, if one or more Events of Default occur(s), the Issuer shall not declare or pay any dividend to its shareholders (including holders of preference shares and other instruments compulsorily convertible into equity shares) and or withdraw any amounts out of the profits of the Issuer relating to the Financial Year in which such Event of Default has occurred and is continuing, other than in accordance with Section 6.2.5 (*Negative Covenants*).

6.2.6.1A Additional Consequences and Remedies of an Event of Default

Without prejudice to Section 6.2.6.1A above, if one or more events specified in Section 6.2.6.2 (*Events of Default*) occur(s), the Debenture Trustee (acting on the instructions of the Debenture Holders and/or the Designated Agent) has the option (but not the obligation) to require the obligors in relation to the Client Loans comprising the Hypothecated Assets to directly deposit all interest and principal instalments and other amounts in respect of the relevant Client Loans in the account specified by the Debenture Trustee (acting on the instructions of the Debenture Holders and/or Designated Agent). All such payments will be used to discharge the amounts outstanding and due from the Issuer in respect of the Debentures. The Issuer shall do all acts as may be necessary to comply with the provisions of this Section 6.2.6.1A.

6.2.6.1B Right to Purchase the Hypothecated Assets

- (a) Following the occurrence of an Event of Default, the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall, until the Final Settlement Date, have the right to purchase the Hypothecated Assets in whole or in part ("**Asset Purchase**") by issuing a notice to the Issuer ("**Asset Purchase Notice**") within such timelines as may be determined by the Debenture Trustee. In the event of an Asset Purchase, the Issuer shall repay the Outstanding Amounts to the Debenture Holders from the proceeds of the purchase consideration received by it from the Asset Purchase. Such Asset Purchase shall be conducted on such commercial terms and conditions prescribed by the Debenture Trustee (acting on the instructions of the Majority Debenture Holders and/or Designated Agent) at its sole discretion.
- (b) The Issuer shall undertake all actions as may be necessary to assign the Hypothecated Assets in respect of which the Asset Purchase has been exercised (along with all underlying security interest (if any) and contractual comfort (if any) in respect of the Client Loans underlying the Hypothecated Assets) within 7 (seven) Business Days from the date of receipt of the Asset Purchase Notice.
- (c) Notwithstanding the Asset Purchase, all other security interest provided by the Issuer in favour of the Debenture Trustee in respect of the Debentures shall continue to be valid and subsisting until the Final Settlement Date.
- (d) All costs with respect to the Asset Purchase in accordance with this Section 6.2.6.1B (*Right to Purchase the Hypothecated Assets*) shall be borne by the Issuer.

- (e) Notwithstanding any other provision above, the Debenture Trustee may exercise any other right that the Debenture Trustee and/or Debenture Holders may have under the transaction documents or under Applicable Law.

6.2.6.2. **Events of Default**

Each of the events or circumstances set out in this Section 6.2.6.2 below is an Event of Default.

- (a) **Payment Defaults**

The Issuer does not pay on any Due Date (including on the relevant Redemption Dates) any amount payable pursuant to the DTD and the Debentures at the place and in the currency in which it is expressed to be payable and/or the Debentures are not redeemed and all Outstanding Amounts are not repaid on the Final Redemption Date, unless the failure to pay is caused by a technical error (such as incorrect beneficiary details or similar administrative issues) and the payment is made within 3 (three) Business Days of the Due Date.

- (b) **Material Adverse Effect**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders and/or Designated Agent).

- (c) **Cross Default**

- (i) The Issuer:

- (A) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; or
 - (B) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity, and such Financial Indebtedness of the Issuer is declared to be due and payable; or

- (ii) Any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

- (iii) The occurrence of any downgrade in the rating in respect of any securitisation transactions entered into by the Issuer as an originator and/or any securitisation transactions where the Issuer is a servicer.

- (d) **Misrepresentation; Others**

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

(ii) Any fraud, negligence and/or default by the Issuer under the transaction documents;

(e) ***Unlawfulness***

It is or becomes unlawful for the Issuer to perform any of its obligations under the transaction documents and/or any obligations of the Issuer under any transaction document are not, or cease to be valid, binding or enforceable.

(f) ***Repudiation***

The Issuer repudiates (directly or indirectly) any of the transaction documents, or evidences an intention to repudiate any of the transaction documents.

(g) ***Transaction Documents***

The DTD or any other transaction document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Issuer.

(h) ***Corporate governance; Data integrity***

Failure by the Issuer to meet standards prescribed by the RBI with respect to management, governance, and data integrity, if applicable, as may be required by the Debenture Trustee and/or the Debenture Holders.

(i) ***Legal Proceedings***

If one or more legal or governmental proceedings are initiated against the Issuer or any claims are made against the Issuer, which in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders and/or Designated Agent), may impair the Issuer's ability to perform its obligations undertaken in terms of the transaction documents or which has a Material Adverse Effect.

(j) ***Creditors' Process and Expropriation***

(i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any assets of the Issuer or its affiliates, and which has a Material Adverse Effect on the ability of the Issuer to comply with its payment obligations under the transaction documents.

(ii) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any assets of the Issuer or affects any assets of the key managerial personnel (as defined in the Companies Act) of the Issuer or the directors of the Issuer (if and only if such action directly impairs the Issuer's financial condition or operations) having an aggregate value equal to or

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exceeding the Outstanding Principal Amounts or 10% (ten percent) of the Net Worth of the Issuer, whichever is lesser, and is not discharged within the earlier of 30 (thirty) calendar days or the period provided in any order of any competent court or tribunal relating to the aforementioned actions.

- (iii) All or a material part of the undertaking, assets, rights or revenues of the Issuer are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of all or substantial part of the business or operations of the Issuer, or shall have taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, their members, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Governmental Authority.

(k) ***Authorisations; Licenses***

Any authorisations, licenses (including operating licenses of the Issuer issued by the RBI and/or the SEBI), consents and approvals required by the Issuer under Applicable Law to enable it to perform its obligations under the transaction documents, to ensure the legality, validity, enforceability or admissibility of the transaction documents, and to enable it to carry on its business are revoked or suspended or cancelled in any manner.

(l) ***Insolvency/Inability to Pay Debts***

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

(m) ***Liquidation, Insolvency or Dissolution of the Company/Appointment of Receiver, Resolution Professional or Liquidator***

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

- (i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;
- (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer, or any scheme for restructuring or reconstruction or similar purposes;
- (iii) the appointment of a liquidator, receiver, resolution professional, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer;
- (iv) the Issuer, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework);

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- (v) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Issuer;
- (vi) enforcement of any security over any Assets of the Issuer or any affiliate of the Issuer or any analogous procedure or step is taken in any jurisdiction;
- (vii) a petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer is filed on the Issuer (voluntary or otherwise) or such a petition has been admitted or makes an assignment for the benefit of its creditors generally, and such proceedings are not contested by the Issuer for staying, quashing and/or dismissal within 15 (fifteen) calendar days of filing;
- (viii) enforcement of any proceedings initiated upon the order of any court or statutory authority that impinges the continued ongoing business operations of the Issuer;
- (ix) without prejudice to any other provision in this paragraph (m), any Insolvency Related Event; or
- (x) any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in (i) to (ix) above.

(n) ***Judgment Defaults***

- (i) One or more judgments or decrees entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Issuer provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.
- (ii) Without prejudice to paragraph (i) above, the failure to pay any liability arising from one or more judgments or decrees entered against the Issuer.

(o) ***Security in Jeopardy***

The occurrence of any event which, in the opinion of the Debenture Trustee (acting on the instructions of the Debenture Holders), jeopardizes the Issuer's ability to make collections in respect to the Hypothecated Assets or payment of Outstanding Principal Amounts or interest on the Debentures.

(p) ***Security and Personal Guarantees***

- (i) The Issuer fails to create and perfect security within the timelines prescribed in the transaction documents and/or in the manner prescribed in the transaction documents.
- (ii) The Personal Guarantees are not provided by the Personal Guarantors within the timelines

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prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents.

- (iii) The value of the Hypothecated Assets is insufficient to maintain the Security Cover or the Issuer fails to maintain the Security Cover (including by way of providing additional/alternate security to the satisfaction of the Debenture Trustee) within the timelines prescribed in the relevant transaction documents.
- (iv) Any of the transaction documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the transaction documents, or the security interests become unlawful, invalid or unenforceable.
- (v) The Issuer creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Hypothecated Assets, without the prior consent of the Debenture Trustee.

(q) ***Business***

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

(r) ***Failure to Certify***

The Issuer fails to provide a certificate from an authorized officer of the Issuer certifying/confirming that no Event of Default has occurred, within 3 (three) Business Days, in the manner prescribed in the transaction documents.

(s) ***Fraud and Embezzlement***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Issuer or by any member of the Promoter Group of the Issuer or revenues of the Issuer or any other act having a similar effect being committed by the key managerial personnel (as defined in the Companies Act) of the Issuer or any officer of the Issuer or the Issuer as a whole, directly or indirectly.

(t) ***Erosion of Net Worth***

The Net Worth of the Issuer erodes by 50% (fifty percent) or more, from that existing as of March 31, 2025.

(u) ***Discretionary Audits***

The Issuer fails to meet standards as may be required by the Debenture Trustee in 2 (two) successive discretionary audits conducted by the Debenture Trustee in accordance with the DTD.

(v) ***Rating***

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The occurrence of the downgrade in the rating of the Debentures by 1 (one) notch or more below "BBB".

(w) ***Delisting of the Debentures***

The Debentures are delisted by the NSE at any point of time.

(x) ***Failure to Disburse Loans***

The Issuer fails to disburse new loans or appoint any third party or establish in-house collection teams, in case of any adverse regulatory action.

(y) ***Promoter Events***

- (i) Any Promoter is declared as willful defaulters by any bank or financial institution.
- (ii) Any Promoter(s) or the Promoter Group and/or the directors of the Issuer are convicted of a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of such Promoters and/or directors, including any convictions of any offence relating to bribery, and such order of a competent court or Governmental Authority remains unvacated for 90 (ninety) Business Days.
- (iii) The occurrence of (A) any Change of Control, (B) any change in the voting rights of the Issuer, and (C) change in the seats held by the Promoters on the board of directors of the Issuer.

(z) ***Breach of Negative Covenants***

Any breach by the Issuer in compliance with any of the negative covenants set out under Section 6.2.5 (*Negative Covenants*).

(aa) ***Breach of Financial Covenants***

Any breach by the Issuer in compliance with any of the financial covenants set out under Section 6.2.2 (*Financial Covenants*).

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

Any breach by the Issuer in compliance with any of the reporting covenants set out under Section 6.2.3 (*Reporting Covenants*).

(cc) ***Breach of other Covenants***

Any breach of any covenant or undertaking of the Issuer in the transaction documents (other than (a) to (bb) above).

6.2.6.3. Notice on the Occurrence of an Event of Default

- (a) If any Event of Default or any event which, after the notice, or lapse of time, or both, would

constitute an Event of Default, has occurred, the Issuer shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default.

- (b) In addition to the foregoing, in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall send a notice to the Debenture Holders within 3 (three) days of the occurrence of an Event of Default, in accordance with the mode of delivery of notice mentioned therein, convening a meeting within 30 (thirty) days of the occurrence of an Event of Default. PROVIDED THAT if the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.

6.2.6.4. **Additional obligations of the Debenture Trustee**

- (a) In respect of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the Stressed Assets Framework) or any resolution plan shall be subject to the terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular (including without limitation, the resolution plan being finalised within the time period prescribed in Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.
- (b) In the event the Recovery Expense Fund is proposed to be utilised for the purposes of enforcement of the Security, the Debenture Trustee shall follow the procedure set out in Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular.
- (c) The Debenture Trustee shall access the centralized database of corporate bond/debentures and verify the information regarding default history and other relevant information of the Issuer. In case of any discrepancy in the information of the Issuer, the Debenture Trustee shall notify the same to the NSE and update the correct information in the centralized database, within the timelines prescribed under the SEBI Centralized Database Requirements.

6.2.7. **Listing and Monitoring Requirements**

(a) **Monitoring**

The Issuer will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Chapter VI (*Periodical/ Continuous Monitoring by Debenture Trustee*) of the SEBI Debenture Trustees Master Circular, the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to NSE in accordance with Chapter VI (*Periodical/ Continuous Monitoring by Debenture*

Trustee) of the SEBI Debenture Trustees Master Circular:

- (i) a security cover certificate on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Debenture Trustees Master Circular;
- (ii) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (iii) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (iv) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law;
- (v) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or such other timelines as may be prescribed under Applicable Law; and
- (vi) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

(b) **Recovery Expenses Fund**

- (i) The Issuer hereby undertakes and confirms that, if so required under Applicable Law, it shall, within the time period prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security under the transaction documents.
- (ii) The Issuer shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.
- (iii) The Issuer shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund shall remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Issuer shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) Business Days before its expiry, failing which the designated stock exchange may invoke such bank

guarantee.

- (iv) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Majority Debenture Holders for enforcement of the security and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of the security under the transaction documents.
- (v) The amounts in the Recovery Expense Fund shall be refunded to the Issuer on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Issuer before issuing such "no objection certificate".

(c) Filings; Compliance with NSE Requirements

The Issuer hereby further agrees, declares and covenants with the Debenture Trustee that the Issuer shall comply with the relevant provisions of the SEBI LODR Regulations applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations.

(d) Due Diligence

- (i) The Issuer acknowledges, understands, and confirms that:
 - (A) the Debenture Trustee either through itself or its agents /advisors/consultants shall carry out due diligence on continuous basis to ensure compliance by the Issuer, with the provisions of the Companies Act, SEBI LODR Regulations, the SEBI NCS Regulations, the SEBI Listed Debentures Circulars, the SEBI Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the transaction documents, and any other regulations issued by SEBI pertaining to the Issue;
 - (B) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee; and
 - (C) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Issuer and the trust property to the extent

necessary for discharging its obligations. The Issuer shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Issuer. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Issuer upon request.

- (ii) The Issuer shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the Transaction Security or the assets on which security interest/ charge is created, which shall, *inter alia*, include:
- (A) periodical status/ performance reports from the Issuer within 7 (seven) days of the relevant board meeting of the Issuer or within 45 (forty five) days of the respective quarter, whichever is earlier;
 - (B) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
 - (C) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve and Recovery Expense Fund;
 - (D) details with respect to the assets of the Issuer and of the guarantors (if any) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
 - (E) reports on the utilization of funds raised by the issue of Debentures;
 - (F) details with respect to conversion or redemption of the Debentures;
 - (G) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;
 - (H) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
 - (I) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
 - (J) (to the extent applicable) certificate from the statutory auditors of the Issuer (A) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (B) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
 - (K) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.

(iii) Without prejudice to any other provision of the transaction documents, the Issuer shall:

- (A) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
- (B) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of security cover in accordance with the terms of the Debt Disclosure Documents and the other transaction documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;
- (C) submit the following reports/certification to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
Security cover certificate (to the extent applicable) A statement of value of pledged securities (to the extent applicable) A statement of value for debt service reserve account or any other form of security offered	Quarterly basis within 45 (forty five) days from each Quarterly Date or within such timelines as may be agreed between the Issuer and the Debenture Trustee.	Quarterly basis within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law, and, where applicable, in the format prescribed in the SEBI Debenture Trustees Master Circular.
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 60 (sixty) days from the end of each half-year or within such timelines as may be agreed between the Issuer and the Debenture Trustee.	Half yearly basis within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.
(to the extent applicable) Financials/value of guarantor prepared on basis	Annual basis within 45 (forty five) days from the end of each Financial	Annual basis within 75 (seventy five) days from the end of each Financial

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/CERTIFICATIONS BY DEBENTURE TRUSTEE
of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Year or within such timelines as may be agreed between the Issuer and the Debenture Trustee.	Year or such other timelines as may be prescribed under Applicable Law.
(to the extent applicable) Valuation report and title search report for the immovable/movable assets, as applicable	Within such timelines as prescribed under Applicable Law or within such timelines as may be agreed between the Issuer and the Debenture Trustee.	Once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

- (D) comply with all requirements applicable to it under the SEBI Debenture Trustees Master Circular, and provide all documents/information as may be required in accordance with the SEBI Debenture Trustees Master Circular.

(e) **Forensic Audit**

In case of initiation of forensic audit (by whatever name called) in respect of the Issuer, the Issuer shall provide following information and make requisite disclosures to the stock exchanges:

- (i) the details of initiation of forensic audit along-with name of entity initiating the audit and reasons for such forensic audit, if available; and
- (ii) the final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Issuer along with comments of the management of the Issuer, if any.

(f) **Others**

- (i) The Issuer shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.
- (ii) To the extent applicable and required in terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.
- (iii) To the extent required/applicable, the Issuer shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Issuer, and (ii) all covenants of the issue (including side

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letters, event of default provisions/clauses etc.).

- (iv) The Issuer shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Issuer or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.
- (v) The Issuer and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under Chapter III (*Security and Covenant Monitoring System*) of the SEBI Debenture Trustees Master Circular in respect of the Debentures and the transactions contemplated in the transaction documents.

SECTION 7: OTHER INFORMATION AND APPLICATION PROCESS

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

7.1 Mode of Transfer/Transmission of Debentures

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

7.2 Debentures held in Dematerialised Form

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

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

7.3 Debenture Trustee for the Debenture Holder(s)

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

Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

7.4 Sharing of Information

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

7.5 Debenture Holder not a Shareholder

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

7.6 Modification of Debentures

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

7.7 Right to accept or reject Applications

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

7.8 Notices

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

7.9 Issue Procedure

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

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

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

7.10 Application Procedure

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

7.11 Fictitious Applications

All fictitious applications will be rejected.

7.12 Basis of Allotment

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

7.13 Payment Instructions

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

7.14 Eligible Investors

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

7.15 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

7.16 **Depository Arrangements**

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

7.17 **List of Beneficiaries**

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

7.18 **Application under Power of Attorney**

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

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

7.19 **Procedure for application by Mutual Funds and Multiple Applications**

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

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

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

7.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

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

7.21 Applications to be accompanied with Bank Account Details

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

7.22 Succession

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

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

7.23 Mode of Payment

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

7.24 Effect of Holidays

Please refer Section 6.1 (*Summary Terms*).

7.25 Allotment

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

7.26 Deemed Date of Allotment

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

7.27 Record Date

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

7.28 Refunds

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

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

7.29 Interest on Application Money

Please refer Section 6.1 (*Summary Terms*).

7.30 Pan Number

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

7.31 Payment on Redemption

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

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

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

Disclaimer: Please note that only those persons to whom this Key Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and

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comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

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SECTION 8: DECLARATION

- A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.
- C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.
- D. The Issuer has complied with, and nothing in the Key Information Document is contrary to, the provisions of Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, and the rules and regulations made thereunder.

I am authorized by the board of directors of the Issuer *vide* resolution number 05 dated October 10, 2025 of the board of directors of the Issuer, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

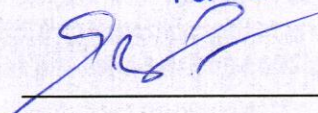
Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing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

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

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

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

For IFL FINANCE LIMITED


Authorized Signatory

Authorized Signatory

Name: Gopal Bansal

Designation: Managing Director

Date: November 18, 2025

Place: New Delhi, India

SECTION 9: UNDERTAKINGS AND ATTESTATION

9.1 UNDERTAKING BY THE ISSUER

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

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

- (b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this issue document/Key Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the issue document/Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this issue document/Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- (c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

9.2 UNDERTAKING ON SECURITY

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

9.3 ATTESTATION BY AUTHORISED PERSON(S)

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

- (a) The Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder.
- (b) The compliance with the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government.
- (c) The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

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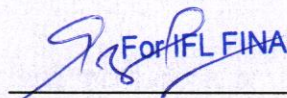
- (d) Whatever is stated in the General Information Document and this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of the General Information Document and this Key Information Document has been suppressed or concealed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

- (e) General Risk:

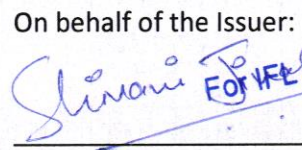
Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering.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

- (f) The contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.
- (g) The person(s) set out below are duly authorised to attest to the above by the board of directors or the governing body, as the case may be, by a resolution, a copy of which is also disclosed in this Key Information Document.

On behalf of the Issuer:


Name: Gopal Bansal
Designation: Managing Director

On behalf of the Issuer:


Name: Shivani Jindal
Designation: Company Secretary

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

SECTION 10: [INTENTIONALLY LEFT BLANK]

SECTION 11: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Addressed to: Grip Invest Technologies Private Limited

Serial No: 007/2025/KID

FORM NO PAS-4

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER ("PPOA")

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

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

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

19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("Debentures") on a private placement basis (the "Issue").

PART A

1. GENERAL INFORMATION:

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

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

(b) Date of incorporation of the Company:

17.09.2015

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

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

IFL Finance Limited (formerly IFL Housing Finance Limited) is a trusted name in India's gold loan industry, known for delivering fast, secure, and transparent loan solutions. We specialize exclusively in instant gold loans designed to address urgent financial needs—whether for medical expenses, education, business expansion, or personal requirements.

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

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

Business carried on by the subsidiaries:

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

Details of branches or units:

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

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

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

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

Details of Board of Directors		
Name	Designation	Description / Profile
Mr. Gopal Bansal	Managing Director	<p>A Chartered Accountant that has created strides of excellence, Mr. Gopal Bansal is a name to reckon with. With the expertise of more than 21 years in multiple fields such as finance, portfolio management, taxation, treasury management, business takeovers, finance product designing, corporate law, mergers, asset recovery and asset restructuring, he is a maestro that plays a fundamental role in the functioning of IFL Finance Limited (Formerly known as IFL Housing Finance Limited).</p> <p>An experienced professional, Mr. Bansal strategies and directs the company towards the path of fulfilling its mission and goals. Under his guidance, IFL has managed to offer assistance to a plethora of individuals and works to increase the number in the years to come.</p> <p>Mr. Bansal has been a part of the M/s India Finsec Limited family for over a decade. He plays an imperative role as a Promoter and Director of the company. It's his profound knowledge and skills that</p>

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		have enabled M/s India Finsec Limited to function with Zero NPA and have accelerated the growth rate.
Mrs. Sunita Bansal	Whole-Time Director	<p>With more than 20 years of experience in HR and Leadership Role, Mrs. Sunita Bansal holds the responsibility of managing all Human Resource related functions such as designing workplace policies, building the right culture, performance management, and designing strategies in accordance with the company's policies.</p> <p>An alumna of the prestigious Indian Institute of Technology and Management, Mumbai with a focus on Business Management (HR), Mrs. Bansal has given IFL the perfect environment that has enabled the company to grow, evolve and become what it is today.</p> <p>She possesses exceptional knowledge, skills and experience and has been a part of reputed institutions such as Reliance, Hutch, ICICI Bank and Instant Credit. Her multi-tasking management skills allow her to manage several projects at once and deliver results as per expectations.</p>
Mr. Ashish Bansal	Non-Executive Director	<p>A Chartered Accountant by profession and a former Executive Director of Stellar Capital Services, Mr. Ashish Bansal has 13 elaborate years of experience in the diverse field of finance, law and project finance, taxation, accounts and underwriting. Furthermore, another feather to his cap involves more than 6 years of NBFC experience.</p> <p>Owing to his financial and managerial skills, he plays an important role in the strategic team and is responsible for ensuring that the company achieves its goals and obligations. He has contributed significantly to several decision-making processes that have led the company to new heights.</p>
Ms. Kriti Suri	Whole-Time Director	<p>Ms. Kriti Suri is the Collection Head and in-charge of the Company's collection strategy and policies. She identifies the areas in the collection process that needs improvement and implements an enhanced process for effective collections.</p> <p>Ms. Kriti Suri is a post-graduate in Commerce and possess exceptional problem solving and decision- making skills. She regularly monitors repayment of accounts and analyses causes of delinquency, while bringing effective processes for timely collections.</p>
Mr. Devi Dass Agarwal	Independent Director	<p>With 43 years of experience in the banking and finance sector, Mr. Devidas Agrawal is an indispensable member of the company. He has been a part of a reputed organisation- the Central Bank of India and holds an experience of 18 years as a Branch Head of several branches across India. A hard worker and a dedicated professional, Mr. Agrawal often managed to deliver beyond the given targets and achieve impeccable results.</p>

		He has been a chief member of multiple committees such as Chaired Interview Committee for internal promotion from clerical to officer grade, Chaired Interview Committee for Recruitment of clerk/officers in the bank and Member of Interview Committee for internal promotion. Furthermore, he also attended multiple informative training programs at some leading training colleges including NIBM, Pune and RBI-CAB, Pune.
Mrs. Pinki Sharma	Independent Director	<p>Mrs. Pinki Sharma is a seasoned professional with a Master's degree and extensive expertise in corporate governance and compliance. With her strong academic foundation and deep understanding of regulatory frameworks and business operations, she brings an independent and balanced perspective to the Board.</p> <p>She is committed to upholding the highest standards of ethics, transparency, and accountability, and actively contributes to strategic and financial decision-making. Her presence strengthens the Company's governance framework by ensuring enhanced objectivity, independence, and value-driven leadership.</p>

Management Details		
Name	Designation	Description
Mrs. Perna Matta Arora	CFO	<p>A Chartered Accountant and a Company Secretary, Ms. Perna Matta Arora is a professional with 13 years of extensive experience in the field of Finance, Taxation, Fund-Raising, Compliances, Investor Relations and Fund Management.</p> <p>Ms. Arora is responsible for financial actions of the Company, including business planning, budgeting, forecasting and negotiations. She helps in augmenting the growth of the Company by finding external funding opportunities for growing the business, debt management, cash management, liquidity projections, treasury operations, bank relationship management and short-term investing. She is involved in the entire financial machinery of the Company including recommending / implementing of financial controls & processes that strengthen compliance and ensuring statutory compliances of the Company, along with the enforcement of proper accounting policies and principles.</p> <p>She is a vital part of the complete financial functioning that involves her making recommendations and ensuring the implementation of final processes that lay a strong foundation for the company.</p>
Ms. Shivani Jindal	Company Secretary	<p>Ms. Shivani Jindal is a highly regarded professional with two years of valuable experience in secretarial and legal compliance. Her expertise encompasses a wide range of corporate laws, including compliance with BSE, SEBI, and ROC regulations. Ms. Jindal has demonstrated proficiency in managing compliances related to preferential allotments of warrants, bonus issues, and stock splits. Additionally, she has played a key role in facilitating the merger and amalgamation processes for both listed and unlisted companies. In her capacity, Ms. Jindal is instrumental in keeping the Board informed about pertinent</p>

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		laws and regulations. She diligently monitors compliance with statutory requirements, internal policies, and fair practice codes. Her commitment to ensuring adherence to regulatory standards positions her as an invaluable advisor to the company, guiding it toward sustainable progress. A dedicated professional, Ms. Shivani Jindal exemplifies integrity and expertise in her field, making her a vital asset to the organization.
Mr. Mukesh Sharma	Collections and Operations Head	'Mr. Mukesh Sharma oversees the Home Loan vertical of the company, including the management of the Loan Origination System (LOS) and Loan Management System (LMS) known as 'Omnifin'. He plays a key role in ensuring seamless operations, addressing routine queries related to both the Omnifin software and overall company processes. Under his strong leadership, the Home Loan segment's collection division has been significantly strengthened.
Mr. Vinod Bansal	Vice President Operations-Gold Loan	'Mr. Vinod is a qualified Chartered Accountant with 14 years of comprehensive experience in the finance sector. Currently, he oversees the entire Gold loan vertical, bringing his extensive expertise and meticulous financial acumen to the role. His dedication to excellence and profound understanding of financial and operations intricacies make him an indispensable leader in the industry.

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

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

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

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

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

Please refer to Section 3 of the Key Information Document above

(g) **Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:**

- (i) Statutory dues: Nil
- (ii) Debentures and interest thereon: Nil
- (iii) Deposits and interest thereon: Nil
- (iv) Loan from any bank or financial institution and interest thereon: Nil

(6) **Name, designation, address and phone number, email ID of the nodal/compliance officer of the Company, if any, for the private placement offer process:**

Name: Shivani Jindal
Designation: Compliance Officer and Company Secretary
Address: D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi, India
Phone No.: 011-47096097
Email: compliance@iflfinanceltd.com

(7) **Any Default in Annual Filing of the Company under the Companies Act, 2013 or the rules made thereunder:**
Nil

(8) **Registrar of the Issue:** Skyline Financial Services Private Limited.

(9) **Valuation Agency:** Not applicable as the Debentures are being offered at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.

(10) **Auditors:** Ajay Rattan & Co.

2. **PARTICULARS OF THE OFFER:**

(i) Financial position of the Company for the last 3 financial year	Please refer to Chapter A of this PPOA for the financial position of the Issuer for the financial years ended March 31, 2023, March 31, 2024, and March 31, 2025.
(ii) Date of passing of Board Resolution	Resolution dated October 10, 2025 of the board of directors of the Issuer.
(iii) Date of passing of resolution in the general meeting, authorizing the offer of securities	Resolution dated September 29, 2022 of the shareholders of the Issuer under Section 180(1)(c) of the Companies Act, 2013.
(iv) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh)

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(v) Price at which the security is being offered, including the premium if any, along with justification of the price	The Debentures are being offered at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
(vi) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
(vii) Relevant date with reference to which the price has been arrived at [Relevant Date means a date atleast 30 (thirty) days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
(viii) The class or classes of persons to whom the allotment is proposed to be made	Please refer to 'Eligible Investors' under Section 7.15 of the Key Information Document.
(ix) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [not required in case of issue of non-convertible debentures]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.
(x) The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on November 18, 2025 (" Deemed Date of Allotment "), and the Issuer will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures (" Debenture Holders ") within the timelines prescribed under the SEBI Listing Timelines Requirements, each in accordance with the debenture trust deed (" DTD ") to be entered into between the Issuer and the debenture trustee (" Debenture Trustee ").
(xi) The names of the proposed allottees and the percentage of	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.

post private placement capital that may be held by them [not required in case of issue of non-convertible debentures];													
(xii) The change in control, if any, in the Company that would occur consequent to the private placement	No change in control would occur consequent to this private placement as the Debentures are non-convertible debt instruments.												
(xiii) The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of number of securities as well as price	<p>The details of allotment on preferential basis/private placement/rights issue already been made during the current financial year is as follows:</p> <table><tr><th>S. No.</th><th>Number of securities allotted</th><th>Type of securities allotted</th><th>Face value of each security (in INR)</th><th>Aggregate value of securities (in INR)</th><th>Preferential basis/private placement/rights issue</th></tr><tr><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr></table>	S. No.	Number of securities allotted	Type of securities allotted	Face value of each security (in INR)	Aggregate value of securities (in INR)	Preferential basis/private placement/rights issue	Nil	Nil	Nil	Nil	Nil	Nil
S. No.	Number of securities allotted	Type of securities allotted	Face value of each security (in INR)	Aggregate value of securities (in INR)	Preferential basis/private placement/rights issue								
Nil	Nil	Nil	Nil	Nil	Nil								
(xiv) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.												
(xv) Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh)												
(xvi) Terms of raising of securities:	<table><tr><td>Duration, if applicable:</td><td><p>24 (twenty four) months from the Deemed Date of Allotment.</p><p>The proposed interest payment and redemption schedules are set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of this Key Information Document.</p></td></tr></table>	Duration, if applicable:	<p>24 (twenty four) months from the Deemed Date of Allotment.</p> <p>The proposed interest payment and redemption schedules are set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of this Key Information Document.</p>										
Duration, if applicable:	<p>24 (twenty four) months from the Deemed Date of Allotment.</p> <p>The proposed interest payment and redemption schedules are set out in Annexure IV (<i>Illustration of Bond Cashflows</i>) of this Key Information Document.</p>												

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	Rate of dividend or rate of interest:	<p>12.25% (twelve decimal two five percent) per annum, or the revised rate of interest in accordance with sub-section named "Step Up/Step Down Coupon Rate" under Section 6.1 (Summary Terms) of the Key Information Document.</p> <p>The proposed interest payment and redemption schedules are set out in Annexure IV (Illustration of Bond Cashflows) of this Key Information Document.</p>
	Mode of payment	<p>The payment in respect of the application money can be made by way of electronic mode of transfer such as RTGS / NEFT / any other similar payment facility wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 7.9 of the Key Information Document.</p>
	Mode of repayment	<p>All interest, principal repayments, penal interest and other amounts, if any, payable by the Issuer to the Debenture Holders shall be paid to the Debenture Holders by electronic mode of transfer like RTGS/NEFT/direct credit to such bank</p>

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		account within India as the Debenture Holders inform the Issuer in writing and which details are available with the registrar and transfer agent for the Issuer.																															
(xvii) Proposed time schedule for which this private placement offer cum application letter is valid	Issue Opening Date: November 18, 2025 Issue Closing Date: November 18, 2025 Pay in Date: November 18, 2025 Deemed Date of Allotment: November 18, 2025																																
(xviii) Purpose and objects of the offer/Issue	Please refer to Section 6.1 (<i>Summary Terms</i>) of the Key Information Document.																																
(xix) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	No.																																
(xx) Principal terms of assets charged as security, if applicable	Please refer section named " <i>Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)</i> " in Section 6.1 (<i>Summary Terms</i>) of the Key Information Document.																																
(xxi) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	No significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations.																																
(xxii) The pre-issue and post issue shareholding pattern of the Company in the following format	<table><tr><th rowspan="2">Sl. No.</th><th rowspan="2">Category</th><th colspan="2">Pre-issue</th><th colspan="2">Post Issue</th></tr><tr><th>No. of shares held</th><th>% of Shareholding</th><th>No. of shares held</th><th>% of Shareholding</th></tr><tr><td>A</td><td>Promoter's Holding</td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td>Indian</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>Individual</td><td>24573138</td><td>28.99</td><td>24573138</td><td>28.99</td></tr></table>					Sl. No.	Category	Pre-issue		Post Issue		No. of shares held	% of Shareholding	No. of shares held	% of Shareholding	A	Promoter's Holding					1	Indian						Individual	24573138	28.99	24573138	28.99
Sl. No.	Category	Pre-issue		Post Issue																													
		No. of shares held	% of Shareholding	No. of shares held	% of Shareholding																												
A	Promoter's Holding																																
1	Indian																																
	Individual	24573138	28.99	24573138	28.99																												

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		Bodies Corporate	60185024	71.01	60185024	71.01
		Sub-Total	84758162	100	84758162	100
2		Foreign Promoters	-	-	-	-
		Sub-Total (A)	84758162	100	84758162	100
B		No-Promoters Holding				
1		Institutional Investors	-	-	-	-
2		Non-Institutional Investors	-	-	-	-
		Private Corporate Bodies	-	-	-	-
		Directors and Relatives	-	-	-	-
		Indian Public	2	0.00	2	0.00
		Other [Including Non-Resident Indians (NRI's)]	-	-	-	-
		Sub-Total (B)	2	0.00	2	0.00
		GRAND TOTAL (A + B)	84758164	100	84758164	100

3. **MODE OF PAYMENT FOR SUBSCRIPTION:**

- () Cheque
() Demand Draft
(x) Other Banking Channels

4. **DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC:**

(i) Any financial or other material interest of the directors, promoters or	The directors, promoters, and key managerial personnel do not have any financial or other material interest in the offer that is different from the interests of other persons. Accordingly, no additional disclosures are applicable.
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key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons				
(ii) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	<p>During the last three years immediately preceding the year of issue of this document, certain actions have been taken by the Securities and Exchange Board of India (SEBI) against some of the promoters and promoter group entities of the Company. The details are as follows:</p> <p>a. SEBI, vide its order SO/AB/EFD2/2022-23/7162 dated March 08, 2023, imposed a monetary penalty of ₹1,00,000 (Rupees One Lakh only) on India Finsec Limited, one of the promoters of the Issuer. The penalty amount has been duly paid and the matter stands resolved.</p> <p>b. SEBI, vide its order WTM/AB/IVD/ID11/29124/2023-24 dated September 04, 2023, restrained Gopal Bansal HUF, promoter of the Issuer, from accessing the securities market and prohibited it from buying, selling, or otherwise dealing in securities. The restriction period concluded on September 03, 2025. The matter is currently pending before the Securities Appellate Tribunal (SAT) for further consideration.</p> <p>c. SEBI, vide its order WTM/AB/IVD/ID9/10103/2020-21 dated January 15, 2021, had restrained India Finsec Limited, one of the promoters of the Issuer, from accessing the securities market. The restriction period was completed on July 14, 2022, and there are no ongoing restrictions as on date.</p> <p>d. SEBI, vide its order WTM/AB/IVD/ID9/10103/2020-21 dated January 15, 2021, had restrained Mrs. Renu Bansal, the promoter group of the Issuer, from accessing the securities market. The restriction period concluded on January 14, 2024, and there are no continuing restrictions as on date.</p>			
(iii) Remuneration of directors (during the current year and last 3	Sr. No.	Name of the Director	Financial Year	Remuneration payable or paid (in INR)
	1.	Mr. Gopal Bansal	2022-23	17,61,246
			2023-24	20,50,704

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(three) financial years)			2024-25	29,29,584
			2025-26 (Current Year)- as on 30 th September, 2025	14,64,792
	2.	Mrs. Sunita Bansal	2022-23	8,80,628
			2023-24	11,71,824
			2024-25	14,64,768
			2025-26 (Current Year)	10,25,340
	3.	Mr. Ashish Bansal	2022-23	11,73,544
			2023-24	14,64,768
			2024-25	14,64,768
			2025-26 (Current Year)	6,10,320
	4.	Ms. Kriti Suri	2022-23	8,78,835
			2023-24	9,36,912
			2024-25	9,96,048
			2025-26 (Current Year)	5,42,844
	5.	Mr. Amit Kumar Agarwal	2022-23	60,000
			2023-24	50,000
			2024-25	1,07,500
			2025-26 (Current Year)	-
	6.	Mr. Ramesh Bansal	2022-23	47,500
			2023-24	60,000
			2024-25	50,000
			2025-26 (Current Year)	-
	7.	Mr. Devi Dass Agarwal	2022-23	45,000
			2023-24	47,500
			2024-25	92,500
			2025-26 (Current Year)	-
	8.	Mrs. Pinki Sharma	2022-23	-
			2023-24	-
2024-25			-	
2025-26 (Current Year)			-	
(iv) Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees	Please refer Chapter C of this PPOA.			

given or securities provided	
(v) Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	There are no reservations, qualifications, or adverse remarks made by the auditors in the last five financial years immediately preceding the year of issue.
(vi) Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last 3 (three) years immediately preceding the	There have been no inquiries, inspections, investigations, prosecutions, fines, or compounding of offences initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of this private placement offer cum application letter in relation to the Company or any of its subsidiaries.

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<p>year of issue of this private placement offer cum application letter in the case of the Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries</p>	
<p>(vii) Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the Company</p>	<p>No material frauds committed against the Company in the last 3 (three) years.</p>

5. **FINANCIAL POSITION OF THE COMPANY:**

The capital structure of the Company in the following manner in a tabular form:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital		No of Securities	Amount (in INR)		
	Authorised					
	Ordinary shares		100000000	1000000000		
	Preference shares		-	-		
	TOTAL		100000000	1000000000		
	Issued Share Capital					
	Ordinary Shares		84758164	847581640		
	Preference Shares		-	-		
	TOTAL		84758164	847581640		
	Subscribed Share Capital					
	Ordinary Shares		84758164	847581640		
	Preference Shares		-	-		
	TOTAL		84758164	847581640		
	Paid up Share Capital					
	Ordinary		84758164	847581640		
	Preference		-	-		
TOTAL		84758164	847581640			
Size of the present offer	INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh)					
Paid-up capital:						
a. After the offer:	INR 847581640.00 (Indian Rupees Eighty Four Crore Seventy Five Lakh Eighty One Thousand Six Hundred Forty Only)					
b. After the conversion of convertible instruments (if applicable)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at a face value of INR 10,000 (Indian Rupees Ten Thousand) per Debenture.					
Share premium account:						
a. Before the offer:	INR 25,95,18,000.00 (Indian Rupees Twenty Five Crores Ninety Five Lakhs and Eighteen Thousand only)					
b. After the offer:	INR 25,95,18,000.00 Indian Rupees Twenty Five Crores Ninety Five Lakhs and Eighteen Thousand only)					
The issue of the Debentures will not result in a change of share premium account as each Debenture is a non-convertible debt instrument which is being issued at face value.						
The details of the existing share capital of the Company in a tabular form, indicating therein with regard to each allotment, the date of the allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.						
Date of Allotment	Name of Investor	No of Equity Share s allotted	Face Value (in Rs.)	Price of allotment (including	Consideration	Form Consideration

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				premium) (in Rs.)		
Incorporation: 17.09.2015 (Subscribers)						
17-09-2015	Incorporation	50000	5000000	10	500000	Cash
FY: 2016-17						
30-03-2017	India Finsec Limited	10450000	104500000	10	104500000	Cash
FY: 2017-18						
23-08-2017	India Finsec Limited	400000	4000000	10	4000000	Cash
28-02-2018	India Finsec Limited	3900000	39000000	10	39000000	Cash
23-03-2018	India Finsec Limited	2400000	24000000	10	24000000	Cash
23-01-2018	Mr. Gaurav Suri	400000	4000000	10	4000000	Cash
28-02-2018	Mr. Gaurav Suri	100000	1000000	10	1000000	Cash
23-01-2018	Mrs. Kriti Suri	350000	3500000	10	3500000	Cash
FY: 2018-19						
06-07-2018	India Finsec Limited	3900000	39000000	10	39000000	Cash
24-11-2018	India Finsec Limited	2840000	28400000	10	28400000	Cash
23-01-2019	India Finsec Limited	300000	3000000	10	3000000	Cash
26.11.2018	India Finsec Limited	9800000	98000000	10	98000000	Conversion of Loan into equity
31-03-2019	India Finsec Limited	5455000	54550000	10	54550000	Conversion of Loan into equity
06-07-2018	Mrs. Sunita Bansal	430000	4300000	10	4300000	Cash
24-11-2018	Mrs. Sunita Bansal	230000	2300000	10	2300000	Cash
23-01-2019	Mrs. Sunita Bansal	240000	2400000	10	2400000	Cash
24-11-2018	Mr. Gopal Bansal	3005000	30050000	10	30050000	Cash
23-01-2019	Mr. Gopal Bansal	350000	3500000	10	3500000	Cash
23-01-2019	Mr. Gaurav Suri	100000	1000000	10	1000000	Cash
06-07-2018	Mrs. Kriti Suri	190000	1900000	10	1900000	Cash

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23-01-2019	Arvind Kumar Bansal HUF	210000	2100000	10	2100000	Cash
24.11.2018	Gopal Bansal HUF	10000	100000	10	100000	Cash
FY: 2019-20						
10-07-2019	India Finsec Limited	220000	2200000	10.40	2288000	Cash
10-07-2019	Mrs. Sunita Bansal	750000	7500000	10.40	7800000	Cash
26-11-2019	Mrs. Sunita Bansal	1290000	12900000	10.40	13416000	Cash
10-07-2019	Mr. Gopal Bansal	1730000	17300000	10.40	17992000	Cash
26-11-2019	Mr. Gopal Bansal	303000	3030000	10.40	3151200	Cash
10-07-2019	Mr. Gaurav Suri	115000	1150000	10.40	1196000	Cash
26-11-2019	Mr. Gaurav Suri	10000	100000	10.40	104000	Cash
10-07-2019	Mrs. Kriti Suri	115000	1150000	10.40	1196000	Cash
26-11-2019	Mrs. Kriti Suri	100000	1000000	10.40	1040000	Cash
10-07-2019	Gopal Bansal HUF	180000	1800000	10.40	1872000	Cash
FY: 2020-21						
25-03-2021	Mrs. Sunita Bansal	2727270	27272700	11	29999970	Cash
25-03-2021	Gopal Bansal HUF	1817730	18177300	11	19995030	Cash
F.Y 2021-22						
22/11/2021	Mr. Virender Kumar Bansal	544900	5449000	18.35	9998915	Cash
22/11/2021	Mrs. Santosh Bansal	544900	5449000	18.35	9998915	Cash
22/11/2021	Mr. Ashish Bansal	306200	3062000	18.35	5618770	Cash
22/11/2021	Mrs. Nirmala Devi	306200	3062000	18.35	5618770	Cash
22/11/2021	Mr. Naresh Kumar	306200	3062000	18.35	5618770	Cash
22/11/2021	Ms. Charu Bansal	306200	3062000	18.35	5618770	Cash
22/11/2021	Mrs. Sunita Bansal	555800	5558000	18.35	10198930	Cash
27/08/2021	Mr. Virender Kumar Bansal	817500	8175000	18.35	15001125	Cash
27/08/2021	Mrs. Santosh	817500	8175000	18.35	15001125	Cash

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	Bansal					
27/08/2021	Mr. Ashish Bansal	375000	3750000	18.35	6881250	Cash
27/08/2021	Mrs. Nirmala Devi	375000	3750000	18.35	6881250	Cash
27/08/2021	Mr. Naresh Kumar	375000	3750000	18.35	6881250	Cash
27/08/2021	Ms. Charu Bansal	375000	3750000	18.35	6881250	Cash
F.Y 2022-23						
20/02/2023	India Finsec Limited	1634880	16348800	18.35	30000048	Cash
20/02/2023	Mrs. Sunita Bansal	719340	7193400	18.35	13199889	Cash
20/02/2023	Mr. Gopal Bansal	2005460	20054600	18.35	36800191	Cash
20/02/2023	Mr. Virender Kumar Bansal	544960	5449600	18.35	10000016	Cash
20/02/2023	Mrs. Santosh Bansal	544960	5449600	18.35	10000016	Cash
F.Y 2024-25						
25/01/2025	India Finsec Limited	4708796	47087960	18.50	87112726	Cash
15/02/2025	India Finsec Limited	14126368	141263680	18.50	261337808	Cash
Total		84758164	847581640			

The number and price at which each of the allotments were made by the Company in the last one year preceding the date of this private placement offer cum application letter separately indicating the allotment made for consideration other than cash and details of the consideration in each case.	Please refer to the sections named " <i>The number of persons to whom allotment on preferential basis/private placement / rights issue has already been made during the year, in terms of number of securities as well as price</i> " and " <i>The details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration</i> " of this PPOA for details of the allotments were made by the Issuer in the last one year preceding the date of this PPOA.		
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding	FY	Profits before tax (in INR Cr)	Profits after tax (in INR Cr)
	2024 -2025	23.92	18.13
	2023 - 2024	16.05	12.15

the date of issue of this private placement offer cum application letter	2022 - 2023	6.25	4.47								
Dividends declared by the Company in respect of the said 3 (three) financial years;	<table><tr><th>FY</th><th>Dividend</th></tr><tr><td>2024 - 2025</td><td>Nil</td></tr><tr><td>2023 - 2024</td><td>Nil</td></tr><tr><td>2022 - 2023</td><td>Nil</td></tr></table>			FY	Dividend	2024 - 2025	Nil	2023 - 2024	Nil	2022 - 2023	Nil
FY	Dividend										
2024 - 2025	Nil										
2023 - 2024	Nil										
2022 - 2023	Nil										
interest coverage ratio for last 3 (three) years (cash profit after tax plus interest paid/interest paid)	<table><tr><th>FY</th><th>Interest coverage Ratio</th></tr><tr><td>2024 - 2025</td><td>1.89</td></tr><tr><td>2023 - 2024</td><td>1.68</td></tr><tr><td>2022 - 2023</td><td>1.47</td></tr></table>			FY	Interest coverage Ratio	2024 - 2025	1.89	2023 - 2024	1.68	2022 - 2023	1.47
FY	Interest coverage Ratio										
2024 - 2025	1.89										
2023 - 2024	1.68										
2022 - 2023	1.47										
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of this private placement offer cum application letter	Please refer Chapter A of this PPOA.										
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of this private placement offer cum application letter	Please refer Chapter B of this PPOA.										
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil										

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PART B (To be filed by the Applicant)

(i)	Name	
(ii)	Father's name	
(iii)	Complete Address including Flat / House Number, Street, Locality, Pin Code	
(iv)	Phone number, if any	
(v)	Email ID, if any	
(vi)	PAN Number	
(vii)	Bank Account details	
(viii)	Tick whichever is applicable	
(a)	The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares	<input type="checkbox"/>
(b)	The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith	<input type="checkbox"/>

Signature

Initial of the Officer of the Company designated to keep the record

6. **DECLARATION**

- A. The Issuer has complied with the provisions of the Companies Act, 2013 and the rules made hereunder.
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government.
- C. The monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter.

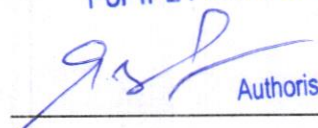
I am authorized by the board of directors of the Issuer *vide* resolution number 05 dated October 10, 2025 of the board of directors of the Issuer, to sign this private placement offer cum application letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this private placement offer cum application letter.

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

For IFL FINANCE LIMITED


Authorised Signatory

Authorised Signatory

Name: Mr. Gopal Bansal

Designation: Managing Director

Date: November 18, 2025

Place: New Delhi, India

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Enclosed

Chapter A - A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter

Chapter B - Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter

Chapter C - Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided

Optional Attachments, if any

CHAPTER A: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Enclosed Separately as Annexure XIV

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**CHAPTER B: AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS IMMEDIATELY
PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION
LETTER**

Enclosed Separately as Annexure XV

CHAPTER C- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

FY: 2024-25

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2025	31/03/2024	31/03/2025	31/03/2024
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	20.51	20.06	NIL
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	14.65	11.72	1.54	0.90
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	9.96	9.37	0.90	0.78
	Ms. Ashish Bansal	Director remuneration	14.65	14.65	1.14	1.09
	Ms. Perna Matta Arora	Salary	23.63	19.64	2.07	2.04
	Mr. Somesh Tewari	Salary	NIL	31.42	NIL	NIL
	Ms. Varsha Bharti	Salary	2.99	5.39	NIL	0.85
	Ms. Shivani Jindal	Salary	4.45	NIL	0.66	NIL
	Mr. Vijay Kr. Dwivedi	Salary	NIL	5.33	NIL	NIL
	(iii)	Relatives of Key Management Personnel: -				
Ganga Devi Bansal		Loan Taken	167.53	27.00	NIL	NIL
		Loan Repaid	167.53	27.00	NIL	NIL
		Interest Paid	7.52	0.19	NIL	NIL
Santosh Bansal		Loan Taken	150.00	NIL	NIL	NIL
		Loan Repaid	150.00	NIL	NIL	NIL
		Interest Paid	8.67	NIL	NIL	NIL
Virender Kumar Bansal		Loan Taken	176.11	NIL	NIL	NIL
		Loan Repaid	176.11	NIL	NIL	NIL
		Interest Paid	7.92	NIL	NIL	NIL

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	Nidhi Bansal	Loan Taken	181.95	NIL	NIL	NIL
		Loan Repaid	181.95	NIL	NIL	NIL
		Interest Paid	7.02	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	19.20	1.44	1.44
	Geetanjali Bansal	Professional Charges	15.84	NIL	1.19	NIL
	India Finsec Limited	Allotment of Equity shares	3,484.51	NIL	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	7.63	NIL	10.90	NIL
	India Finsec Limited	Loan Taken	639.00	NIL	NIL	NIL
		Loan Repaid	639.00	NIL	NIL	NIL
		Interest Paid	14.13	NIL	NIL	NIL
(iv)	<u>Other Related parties: -</u>					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

FY: 2023-24

S. No	Transaction with	Nature of Transaction	(Rs. in lakhs)			
			Transactions during the year		Balances as at	
			31/03/2024	31/03/2023	31/03/2024	31/03/2023
			Amount	Amount	Amount	Amount
(i)	<u>Key Managerial Personnel: -</u>					
	Mr. Gopal Bansal	Director remuneration	20.51	17.61	NIL	1.50
		Allotment of Equity share	NIL	368.00	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	11.72	8.81	0.90	0.75
		Allotment of Equity share	NIL	131.99	NIL	NIL
	Ms. Kriti Suri	Salary and Conveyance	9.37	8.79	0.78	0.75
	Ms. Ashish Bansal	Director remuneration	14.65	11.74	1.09	NIL
	Ms. Prerna Matta Arora	Salary	19.64	6.40	2.04	1.35
	Ms. Gunjan Jain Jindal	Salary	NIL	6.33	NIL	NIL
	Mr. Somesh Tewari	Salary	31.42	4.03	NIL	4.03
	Ms. Varsha Bharti	Salary	5.39	NIL	0.85	NIL

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	Mr. Vijay Kr. Dwivedi	Salary	5.33	8.50	NIL	0.78
(iii)	<u>Relatives of Key Management Personnel: -</u>					
	Ganga Devi Bansal	Advance given	27.00	NIL	NIL	NIL
		Advance received back	27.00	NIL	NIL	NIL
		Interest received	0.19	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	NIL	1.44	NIL
	India Finsec Limited	Allotment of Equity shares	NIL	300.00	NIL	NIL
(iv)	<u>Other Related parties: -</u>					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

FY: 2022-23

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2023	31/03/2022	31/03/2023	31/03/2022
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	17.61	17.24	1.50	1.50
		Allotment of Equity share	368.00	Nil	Nil	Nil
	Ms. Sunita Bansal	Rent paid	9.00	8.63	Nil	Nil
		Director remuneration	8.81	8.67	0.75	0.75
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil
		Allotment of Equity share	131.99	46.41	Nil	Nil
		Ms. Kriti Suri	Salary and Conveyance	8.79	8.65	0.75
	Ms. Ashish Bansal	Allotment of equity shares	Nil	56.88	Nil	Nil
		Director remuneration	11.74	Nil	Nil	Nil
	Ms. Purna Matta Arora	Salary	6.40	9.84	1.35	1.35
	Ms. Gunjan Jain Jindal	Salary	6.33	Nil	Nil	Nil
	Mr. Somesh Tewari	Salary	4.03	Nil	4.03	Nil
Mr. Vijay Kr. Dwivedi	Salary	8.50	6.67	0.78	0.78	
(iii)	Relatives of Key Management Personnel: -					
	Nirmala Devi	Allotment of Equity shares	Nil	56.88	Nil	Nil

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	Naresh Kr. Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Charu Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	India Finsec Limited	Allotment of Equity shares	300.00	Nil	Nil	Nil
(iv)	<u>Other Related parties :-</u>					
	Gopal Bansal HUF	Rent paid	9.00	8.63	Nil	Nil
		Allotment of Equity shares	Nil	Nil	Nil	Nil
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil

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**ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE
RATING AGENCY**

Enclosed separately.

ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR

Debenture Trustee:

Enclosed separately.

Registrar:

Enclosed separately.

ANNEXURE III: APPLICATION FORM

IFL Finance Limited

(Formerly known as IFL Housing Finance Limited)

A public limited company incorporated under the Companies Act, 2013

Date of Incorporation: 17.09.2015

Registered Office: D-16, First Floor, Above ICICI Bank Prashant Vihar,
Sector-14, Rohini, New Delhi, India, 110085

Telephone No.: 011-47096097

Website: www.iflfinanceltd.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.

ISSUE OF 19,980 (NINETEEN THOUSAND NINE HUNDRED AND EIGHTY) LISTED, RATED, SENIOR, SECURED, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 10,000 (INDIAN RUPEES TEN THOUSAND) EACH AND AN AGGREGATE NOMINAL VALUE OF INR 19,98,00,000 (INDIAN RUPEES NINETEEN CRORE NINETY EIGHT LAKH) ("DEBENTURES") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

DEBENTURES APPLIED FOR:

Number of Debentures: _____ In words: _____ only

Amount INR _____ /- In words

Rupees: _____ only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. _____ Drawn on _____

Funds transferred to the account specified in "Instructions" below on _____

Total Amount Enclosed

(In Figures) INR _____ /- (In words) _____ Only

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

--	--

APPLICANT'S ADDRESS

ADDRESS			
STREET			
CITY			
PIN	PHONE	FAX	

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT _____

WE ARE () COMPANY () OTHERS (Please specify) _____

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We have read and understood the terms and conditions of the issue of Debentures including the risk factors described in the general information document dated November 11, 2025, the enclosed key information document and the private placement offer cum application letter dated November 18, 2025, each issued by the Issuer (collectively, the "**Debt Disclosure Documents**") and have considered these in making our decision to apply. We bind ourselves to the terms and conditions of the Debt Disclosure Documents and wish to apply for allotment of the Debentures. We request you to please place our name(s) on the register of holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Issuer in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL () CDSL ()
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	
---	--

	FOR OFFICE USE ONLY
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Debt Disclosure Documents is provided by the Issuer. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical

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and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Issuer shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____
(Note : Cheque and Drafts are subject to realisation)	

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.									
---	--	--	--	--	--	--	--	--	--

Received from _____

Address _____	
Cheque/Draft/UTR # _____ Drawn on _____ for	
INR _____	on account of application of _____ Debenture

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INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account:

Name of the Bank	AU SMALL FINANCE BANK LIMITED
IFSC Code	AUBL0002102
Account Number	25022102961569315
Name of the beneficiary	IFL FINANCE LIMITED-SECURITIES

The Issuer undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:

- (a) for adjustment against allotment of securities; or
- (b) for the repayment of monies where the Issuer is unable to allot securities.

4. Outstation Cheques, Cash, Money Orders, Postal Orders and Stock Invest shall not be accepted.
5. Receipt of applicants will be acknowledged by the Issuer in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
6. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
7. The application would be accepted as per the terms of the Debentures outlined in the transaction documents for the private placement.

ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Name of the Issuer	IFL Finance Limited (Formerly known as IFL Housing Finance Limited)
Face Value (per security)	INR 10,000 (India Rupees Ten Thousand)
Issue Date / Date of Allotment	November 18, 2025
Final Redemption Date	November 18, 2027
Tenure	24 (twenty four) months from the Deemed Date of Allotment
Coupon Rate	12.25% (twelve decimal two five percent) per annum
Frequency of the Coupon Payment with specified dates	Monthly. Please see below.
Day count convention	Actual/Actual

INTEREST PAYMENT AND REDEMPTION SCHEDULE

PART A

INTEREST PAYMENT SCHEDULE

INTEREST PAYMENT DATE	INTEREST AMOUNT (IN INR) (PER DEBENTURE)
18-Dec-25	100.68
19-Jan-26	104.04
18-Feb-26	104.04
18-Mar-26	82.23
20-Apr-26	91.04
18-May-26	88.10
18-Jun-26	78.03
20-Jul-26	75.51
18-Aug-26	78.03
18-Sep-26	65.03
19-Oct-26	62.93
18-Nov-26	65.03
18-Dec-26	50.34
18-Jan-27	52.02
18-Feb-27	52.02
18-Mar-27	35.24
19-Apr-27	39.02
18-May-27	37.76
18-Jun-27	26.01
19-Jul-27	25.17
18-Aug-27	26.01
20-Sep-27	13.01
18-Oct-27	12.59
18-Nov-27	13.01

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PART B

REDEMPTION SCHEDULE

REDEMPTION DATE	AMOUNTS (IN INR) (PER DEBENTURE)
18-Feb-26	1,250
18-May-26	1,250
18-Aug-26	1,250
18-Nov-26	1,250
18-Feb-27	1,250
18-May-27	1,250
18-Aug-27	1,250
18-Nov-27	1,250

ANNEXURE V: DUE DILIGENCE CERTIFICATES

1. **Due diligence certificate as per the format specified in the SEBI Debenture Trustees Master Circular:**

Attached separately.

2. **Due diligence certificate as per the format specified in the SEBI Debt Listing Regulations:**

Attached separately.

ANNEXURE VI: DISCLOSURES PURSUANT TO THE SEBI DEBENTURE TRUSTEES MASTER CIRCULAR

- (a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Movable assets comprising the receivables arising, inter alia, out of identified book debts/loans of the Issuer.

- (b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

No title deeds are applicable or available for movable assets of the Issuer set out above over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

- (c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc.**

The charge created over the movable assets set out in (a) above will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with the any sub-registrar.

- (d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances.

- (e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

(i) **Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable:** Not applicable.

(ii) **Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any:** Not applicable.

(iii) **Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders:** Not applicable.

- (f) **In case of personal guarantee or any other document/ letter with similar intent is offered as security or a part of security:**

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- (i) **Details of guarantor viz. relationship with the Issuer:** (A) Mr. Gopal Bansal, and (B) Mrs. Sunita Bansal
- (ii) **Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor:** The required statement has been obtained by IFL Finance Limited and has been submitted to the Debenture Trustee.
- (iii) **List of assets of the guarantor including undertakings/ consent/ NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular:** Not applicable as the guarantees to be provided by the Guarantors are not backed by assets of the Guarantors.
- (iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** As set out in the indicative draft of the deed of guarantee is set out in Annexure XII of this Key Information Document.
- (v) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** The list/details of previously entered agreements for providing guarantee by the Guarantors are enclosed as Annexure XIII of this Key Information Document. The Issuer hereby undertakes that there are no agreements other than those provided in the list enclosed as Annexure XIII that the Guarantors have entered into for providing guarantees.
- (g) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:**
 - (i) **Details of guarantor viz. holding/ subsidiary/ associate company etc:** Not Applicable
 - (ii) **Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities:** Not applicable.
 - (iii) **List of assets of the guarantor along-with undertakings/consent/NOC as per para 2.1(b) and 2.1(c) of Chapter II of the SEBI Debenture Trustees Master Circular:** Not applicable.
 - (iv) **Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created:** Not applicable.
 - (v) **Impact on the security in case of restructuring activity of the guarantor:** Not applicable.
 - (vi) **Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor:** Not applicable.
 - (vii) **Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer:** Not applicable.

- (viii) **List of previously entered agreements for providing guarantee to any other person along with an undertaking that there are no agreements other than those provided in the list, if any:** Not applicable.
- (h) **In case of any other contractual comforts/ credit enhancements provided for or on behalf of the issuer, it shall be required to be legal, valid and enforceable at all times, as affirmed by the issuer. In all other respects, it shall be dealt with as specified above with respect to guarantees:** Not applicable.
- (i) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not applicable.
- (j) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.:** Please refer section named "*Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Key Information Document*" in Section 8.1 (Summary Terms).
- (k) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security:** Not applicable.
- (l) **Declaration:** The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
- (m) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):** Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.
- (n) **Details of security to be created:** Please refer section named "*Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Key Information Document*" in Section 6.1 (Summary Terms).
- (o) **Process of due diligence carried out by the debenture trustee under the SEBI Debenture Trustees Master Circular:** The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI Debenture Trustees Master Circular. The due diligence broadly includes the following:
- (i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.

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- (ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.
- (iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Debenture Trustees Master Circular) as per the nature of security provided by the Issuer in respect of the Debentures.
- (iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Debentures are to be secured to the extent of at least 100% of the principal and interest amount or as per the terms of this Key Information Document, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
- (v) Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.
- (p) **Due diligence certificates as per the format specified in the Debenture Trustees Master Circular and the Debt Listing Regulations:** Enclosed as Annexure V. The due diligence certificates will be submitted to NSE along with the Key Information Document.

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ANNEXURE VII: FINANCIAL STATEMENTS

Enclosed separately.

ANNEXURE VIII: BOARD RESOLUTION

Enclosed separately.

ANNEXURE IX: SHAREHOLDERS' RESOLUTIONS

Enclosed separately, if applicable

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ANNEXURE X: IN-PRINCIPAL APPROVAL

Enclosed separately.

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ANNEXURE XI: COPY OF THE DEBENTURE TRUSTEE AGREEMENT

Enclosed separately.

ANNEXURE XII: INDICATIVE DRAFT OF PERSONAL GUARANTEE

Enclosed separately.

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**ANNEXURE XIII: LIST/DETAILS OF PREVIOUSLY ENTERED AGREEMENTS FOR PROVIDING
GUARANTEE BY THE PERSONAL GUARANTORS**

Enclosed separately.

RL/IFHOFL/380965/NCD/1125/133254/168557258
November 10, 2025



Re: Crisil Rating on the Rs. 40 Crore Non Convertible Debentures of IFL Finance Limited

Amans

Misinfo[illegible]a company of **S&P Global**

Rating Rationale

November 10, 2025 | Mumbai

IFL Finance Limited

Rating upgraded to 'Crisil BBB/Stable'; 'Crisil BBB/Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	Rs.170 Crore
Long Term Rating	Crisil BBB/Stable (Upgraded from 'Crisil BBB-/Stable')

Rs.40 Crore Non Convertible Debentures	Crisil BBB/Stable (Assigned)
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Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has upgraded its rating on the long-term bank loan facilities of IFL Finance Limited (IFL Finance; formerly known as IFL Housing Finance Limited) to '**Crisil BBB/Stable**' from 'Crisil BBB-/Stable'. Crisil Ratings has also assigned its '**Crisil BBB/Stable**' rating to Rs 40 crore of non-convertible debentures (NCDs) of IFL Finance.

The rating upgrade is driven by the company's healthy profitability and managed asset quality, as well as adequate capitalisation for the current scale of operations backed by periodic equity infusion from the promoters and experience of the management. These strengths are partially offset by limited, though improving, track record of scaling of gold loan business and moderate resource profile.

IFL Finance (formerly IFL Housing) commenced operations in January 2018 and extended home loans (HL) primarily for renovations and extensions (26% of loan book as on September 30, 2025), gold loans (73%) and loans against property [LAP] (1%). Post March 2024, the company has realigned focus to concentrate predominantly on the gold loan business and gradually rundown other businesses. The company has surrendered its housing finance company (HFC) license and has become a non-banking financial company (NBFC) effective June 2025. While home loans and LAP were primarily extended to low-income and middle-income borrowers in tier 5 and 6 towns, gold loans are mainly to borrowers in Delhi, National Capital Region (NCR) & Karnal, Haryana. Assets under management (AUM) have grown to Rs 332 crore as on March 31, 2025 (Rs 279 crore as on March 31, 2024). Further AUM grew to Rs 399 crore as on September 30, 2025.

The company has experienced management, headed by Mr. Gopal Bansal who is the founder, CEO and Managing Director. The bulk of gold loan business workforce comes with relevant prior experience in this segment. The defocussed businesses of home loan and LAP are handled only by the collections team while no new disbursements have been undertaken since March 2024.

Capitalisation is adequate for the current scale of operations with tangible net worth of Rs 170 crore and a modest leverage of 1.4 times as on September 30, 2025. For its scale, the company's resource mix is moderately diversified with 35 lenders. Of the total borrowings as on September 30, 2025, 30% were from banks and small finance banks, 69% from NBFCs/HFCs, and 1% from National Housing Bank (NHB).

As on March 31, 2025, and September 30, 2025 (provisional), IFL reported overall gross non-performing assets (GNPA) of 0.7%. Profitability has improved with profit after tax of Rs 18.1 crore in FY25, because of healthy net interest margins (NIMs), improving operating efficiency and benign credit cost.

Going forward, the company's profitability trajectory particularly in terms of absolute earnings and ability to manage credit losses while scaling up its gold loan book will be a key monitorable.

Analytical Approach

Crisil Ratings has analysed the standalone business and financial risk profiles of IFL Finance.

Key Rating Drivers - Strengths

Adequate capitalisation levels to support planned growth

IFL Finance's capitalisation is supported by equity infusion of Rs 107 crore by the promoters since inception. Tangible net worth and capital adequacy ratio stood at Rs 170 crore and 54.1%, respectively as on September 30, 2025 as against Rs 159 crore and 65.8% as on March 31, 2025. (Rs 106 crore and 62.9% as on March 31, 2024)

The company's leverage is moderate at 1.4 times as on September 30, 2025, and management aims to maintain it below 3.0 times over the medium term.

IFL Finance's non-operating holding company, India Finsec Limited owns 71% stake in IFL Finance as on September 30, 2025, and promoters, Gopal Bansal and his wife Sunita Bansal hold 9% each. The remaining stake is held by friends and family of the promoter. India Finsec Limited is listed on the BSE and 56% of the holding in this entity is with Mr. Bansal and his friends and family, while the remaining is publicly held.

The promoter is exploring avenues for capital raise from external investors, to support growth in the medium to long term. However, in the near to medium term, the promoter aims to infuse capital and continue to hold majority stake in the company.

Improving earnings profile

The company's profitability has been on an improving trend supported by healthy growth in interest income. During fiscal 2025, return on managed assets (RoMA) improved to 5.5% compared to 4.2% during fiscal 2024 with PAT of Rs 18.1 crore compared to Rs 12.1 crore for the same periods. Profitability trends remained healthy for 1HFY26 with RoMA of 5.5% (annualised) and PAT (provisional) of Rs 11 crore.

Net interest margins have remained strong for the company given that they have been operating in a very high yield segment of 24% for home loans. Incremental disbursements since fiscal 2024 were only towards gold loans where yield range from 18-21%, NIMs remained range bound at 14.1% in FY25, compared to 14.2% in FY24 given growth of loan book towards riskier borrower profile. Operating expenses remain elevated, although reduced to 6.7% in FY25 from 8.3% in FY24. Operating efficiency is expected to improve with scale up in portfolio but the planned branch expansion in the current fiscal is expected to keep expenses at similar levels.

Profitability also benefits from very low credit costs currently. The company had credit costs in range of 0.2%-0.3% on steady state basis. Going ahead, ability to manage credit loss on the gold portfolio through effective auction processes, as the book continues to scale up, will need to be demonstrated.

Experienced management teams

Mr. Gopal Bansal (CEO & Managing Director) is a first-generation entrepreneur and has experience of around 19 years in the field of banking and finance. He was associated with a large private sector bank as a channel partner for home loans prior to starting IFL Finance (formerly IFL Housing) and was also a practicing CA.

The current senior management has been with the company since inception and has played a critical role in expanding the business operations. The company also has an experienced second line, which has helped put adequate systems, processes, and policies in place to manage inherent risks in the borrower profile.

Key Rating Drivers - Weaknesses

Limited, though improving, track record of operations

IFL Finance started operations in January 2018 and has grown its AUM to Rs 332 crore as on March 31, 2025, from Rs 279 crore as on March 2024 (Rs 251 crore as on March 31, 2023). This further grew to Rs 399 crore as on September 30, 2025. As of the same date, the composition of the loan book was: 73% gold loans, 26% home loans, and 1% loans against property. IFL Finance has presence in Rajasthan, Madhya Pradesh, Haryana and Delhi with 82% of the total portfolio being concentrated in Rajasthan and Delhi.

The company reported GNPA of 0.7% as on March 31, 2025, and September 30, 2025 (provisional), pertaining to housing and LAP. The net non-performing assets (NNPA) was 0.5%, as on same dates.

A significant portion of the gold loan book is new. Therefore, ability to successfully manage collections and recovery over a sustained period in this borrower segment and on the remaining housing loan book still need to be seen. The company expects the home loan book to fully run down over a three-year period. Going ahead, successful scaling up of gold business operations as a newly incorporated NBFC while adhering to regulatory compliances will need to be demonstrated.

Moderate resource profile for the scale of operations and high cost of funds

IFL Finance's resource profile is skewed towards NBFCs, comprising funding relationships with 35 lenders with 30% of borrowings from banks and small finance banks, 69% from NBFCs/HFCs, and 1% from NHB as on September 30, 2025. The borrowings on the same date stood at Rs 239 crore as against Rs 188 crore as on March 31, 2025. As the company continues to scale its operations, diversifying its resource profile to achieve an optimal cost of funding remains to be seen.

Inherently risky borrower profile

The company's housing customers included people in the economically weaker sections, low and middle-income group (EWS/LIG/MIG) as well as to self-employed/salaried people in the organized/unorganized sector. These included grocery shop owners, street and vegetable vendors, small business establishment owners, working capital borrowers, auto rickshaw & cab drivers, barbers, and carpenters, which are vulnerable to economic cycles hence could be relatively riskier in nature.

In gold loan segment, the target borrower segment mainly comprises secured loans to low to middle income group borrowers- small to medium businessmen and working capital borrowers. These are largely self-employed with some having informal income sources which makes them vulnerable to cash flow fluctuations and limited access to liquidity, in case of an exigency.

The shift from housing loans to gold loans implies a higher focus on collateral based underwriting and lower legal and technical bandwidth on collateral enforcement, even as collections on the degrowing housing book will remain a monitorable.

Liquidity Adequate

As on September 30, 2025, the asset liability maturity profile had positive cumulative mismatches in all the time buckets. The Company had cash and equivalents (including liquid investments) of Rs 27.6 (excluding term loans and securitization) crore as on September 30, 2025, against debt obligation of Rs 25.8 crore due for servicing over two months until November 2025. This represents liquidity cover of 1.1 times for two months. In addition, the company had unutilised lines of Rs 24 crore as on September 30, 2025. As an internal policy, the company maintains on-balance sheet liquidity to cover three months of debt and operating expenses.

Outlook Stable

IFL Finance will maintain adequate capitalisation over the medium term with steady growth in the AUM. Ability to maintain asset quality and improve absolute earnings as the gold loan book seasons will be a key monitorable

Rating sensitivity factors

Upward factors

- Substantial scale up in franchise while maintaining asset quality
- Diversification of resource profile and improvement in cost of funding
- Significant and sustained increase in absolute earnings while maintaining profitability at current levels on a steady state basis

Downward factors

- Deterioration in capital structure, with sharp and sustained increase in gearing
- Deterioration in asset quality thereby impacting earnings with return on average assets below 1.5%

About the Company

IFL Finance (formerly IFL Housing Finance Limited) was a housing finance company engaged in financing of home loans, loans against property and gold loans. It was incorporated in September 2015, and it commenced its operations in January 2018 on receipt of its HFC licence. Presently, the company has transitioned into an NBFC after surrendering its HFC license in June 2025, specialising in the gold loan business, with the HL and LAP business on a gradual run down. The company is led by CA Gopal Bansal who has around two decades of expertise in finance, portfolio management, etc.

The promoter, India Finsec Limited, a BSE listed NBFC, holds around 71% shareholding in IFL Finance as on March 31, 2025. Mr Gopal Bansal is the Chairman and Managing Director of the parent entity.

AUM of the company grew to Rs 332 crore as on March 31, 2025, from Rs 279 crore as on March 31, 2024. The company reported PAT of Rs 18.1 crore and total income (net of interest expense) of Rs 46.0 crore for fiscal 2025, against Rs 12.1 crore and Rs 40.5 crore, respectively, for fiscal 2024.

Key Financial Indicators

As on/for the period ending	Unit	Sept 2025 IND AS (Provisional)	March 2025 IND AS	March 2024 IND AS	March 2023 IND AS
Total assets	Rs crore	429	362	301	276
Total tangible networth	Rs crore	170	159	106	94
Gearing	Times	1.4	1.2	1.7	1.8
PAT	Rs crore	11.0	18.1	12.1	4.5
Return on managed assets	%	5.5*	5.5	4.2	2.0

*annualised

Status of non cooperation with previous CRA:

IFL Finance has not cooperated with INFOMERICS Valuation and Rating Private Limited, which has classified it as issuer non-cooperative vide release dated October 11, 2023. The reason provided by INFOMERICS is non-furnishing of information for monitoring of ratings.

Any other information: Not applicable

Note on complexity levels of the rated instrument:

Crisil Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Non Convertible Debentures [#]	NA	NA	NA	40.00	Simple	Crisil BBB/Stable
NA	Overdraft Facility ^{&}	NA	NA	NA	20.00	NA	Crisil BBB/Stable
NA	Proposed Long Term Bank Loan Facility ^{\$}	NA	NA	NA	56.42	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	27-Dec-29	17.00	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	25-Aug-26	1.35	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	18-Jun-27	18.33	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	19-Apr-26	0.62	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	31-Jan-27	2.94	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	29-Sep-26	4.61	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	31-Aug-25	0.27	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	27-Mar-27	2.30	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	29-Aug-26	1.87	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	12-Jun-27	0.31	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	21-Jun-27	7.99	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	19-Apr-26	0.94	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	29-Jun-27	9.17	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	27-Feb-27	1.25	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	21-Jun-27	9.17	NA	Crisil BBB/Stable
NA	Term Loan [@]	NA	NA	05-Nov-26	3.28	NA	Crisil BBB/Stable

NA	Term Loan@	NA	NA	29-Jul-32	2.18	NA	Crisil BBB/Stable
NA	Term Loan@	NA	NA	05-Aug-27	10.00	NA	Crisil BBB/Stable

Yet to be issued

& - Overdraft is as per sanctioned amount

\$ - Interchangeable with short term bank loan facility

@ - Term loan facility is outstanding as on Aug-2025

Annexure - Rating History for last 3 Years

	Current			2025 (History)		2024		2023		2022		Start of 2022
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	170.0	Crisil BBB/Stable	22-09-25	Crisil BBB-/Stable	06-11-24	Crisil BBB-/Stable	10-08-23	Crisil BBB-/Stable		--	--
			--		--	13-08-24	Crisil BBB-/Stable		--		--	--
Non Convertible Debentures	LT	40.0	Crisil BBB/Stable		--		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Overdraft Facility&	3	CSB Bank Limited	Crisil BBB/Stable
Overdraft Facility&	7	City Union Bank Limited	Crisil BBB/Stable
Overdraft Facility&	10	The Federal Bank Limited	Crisil BBB/Stable
Proposed Long Term Bank Loan Facility\$	56.42	Not Applicable	Crisil BBB/Stable
Term Loan#	1.25	Sundaram Home Finance Limited	Crisil BBB/Stable
Term Loan#	9.17	Capital Small Finance Bank Limited	Crisil BBB/Stable
Term Loan#	3.28	Electronica Leasing and Finance Limited	Crisil BBB/Stable
Term Loan#	2.18	National Housing Bank	Crisil BBB/Stable
Term Loan#	10	Paul Merchants Finance Private Limited	Crisil BBB/Stable
Term Loan#	17	State Bank of India	Crisil BBB/Stable
Term Loan#	1.35	AU Small Finance Bank Limited	Crisil BBB/Stable
Term Loan#	18.33	AU Small Finance Bank Limited	Crisil BBB/Stable
Term Loan#	0.62	DCB Bank Limited	Crisil BBB/Stable
Term Loan#	2.94	Bandhan Bank Limited	Crisil BBB/Stable
Term Loan#	4.61	State Bank of India	Crisil BBB/Stable
Term Loan#	0.27	Truhome Finance Limited	Crisil BBB/Stable
Term Loan#	2.3	Nabsamruddhi Finance Limited	Crisil BBB/Stable
Term Loan#	1.87	Sundaram Home Finance Limited	Crisil BBB/Stable
Term Loan#	0.31	National Housing Bank	Crisil BBB/Stable
Term Loan#	7.99	AU Small Finance Bank Limited	Crisil BBB/Stable

Term Loan[#]	0.94	AU Small Finance Bank Limited	Crisil BBB/Stable
Term Loan[#]	9.17	A. K. Capital Finance Limited	Crisil BBB/Stable

& - Overdraft is as per sanctioned amount

\$ - Interchangeable with short term bank loan facility

- Term loan facility is outstanding as on Aug-2025

Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for Finance and Securities companies (including approach for financial ratios)

Media Relations	Analytical Contacts	Customer Service Helpdesk
Ramkumar Uppara Media Relations Crisil Limited M: +91 98201 77907 B: +91 22 6137 3000 ramkumar.uppara@crisil.com	Ajit Velonie Senior Director Crisil Ratings Limited B: +91 22 6137 3000 ajit.velonie@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 3850 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com
Kartik Behl Media Relations Crisil Limited M: +91 90043 33899 B: +91 22 6137 3000 kartik.behl@crisil.com	Subha Sri Sri Narayanan Director Crisil Ratings Limited B: +91 22 6137 3000 subhasri.narayanan@crisil.com	For Analytical queries: ratingsinvestordesk@crisil.com
Divya Pillai Media Relations Crisil Limited M: +91 86573 53090 B: +91 22 6137 3000 divya.pillai1@ext-crisil.com	Divyakshi Gulati Rating Analyst Crisil Ratings Limited B: +91 22 6137 3000 divyakshi.gulati1@crisil.com	

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CATALYST

Believe in yourself... Trust us!



CL/DEB/25-26/1538

Date: 10-Oct-2025

To,

IFL FINANCE LTD,D-16, First Floor, Prashant Vihar, Sector-14,
Rohini, Delhi, New Delhi, Delhi, India 110085.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 19.98 Crores

We refer to your letter dated 10.10.2025, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,

**Name : Priti Shetty****Designation : Assistant Vice President****CATALYST TRUSTEESHIP LIMITED** (FORMERLY GDA TRUSTEESHIP LIMITED)

An ISO 9001 Company

Mumbai Office : Unit No- 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 Tel : +91 (022) 4922 0555 Fax : +91 (022) 4922 0505

Regd. Office : GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel : +91 (020) 25280081 Fax : +91 (020) 25280275

Delhi Office : Office No. 610, 8th Floor, Kailash Building, 25, Kasurba Gandhi Marg, New Delhi - 110001 Tel : 11 430 29101/02

CIN No. U74999PN1997PLC110262 Email : dt@ctitrustee.com Website : www.catalysttrustee.com

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Annexure A**Fee Structure for transaction CL/DEB/25-26/1538**

PARTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 40,000.00
Annual Trusteeship Fees (Amount)	₹ 40,000.00

Annual Fees is payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable and the taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited

For IFL Finance Ltd




Name : Priti Shetty

Designation : Assistant Vice President




Name :

Designation :

Gopal Bansal
Managing Director




CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

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Delhi Office : Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel : 11 438 2910/02

CIN No. U74999PN1997PLC110262 Email : dt@ctitrustee.com Website : www.catalysttrustee.com

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Date: 04th November 2025

To,
IFL Finance Limited
D-16, First Floor, Above ICICI Bank Prashant Vihar,
Sector-14, Rohini, Northwest, New Delhi, Delhi, India, 110085

Sub: Consent to act as RTA for Private Placement of Listed, Rated, Senior, Secured, Transferable, Redeemable, Transferable Non-Convertible Debentures ("NCDs" or "Debentures") of ₹ 19,98,00,000/-.

Dear Sir/Madam,

We, M/s Skyline Financial Services Private Limited, Registrar to an Issue and Share Transfer Agent, hereby give our consent for including our name as Registrar to the proposed issue of Listed, Rated, Senior, Secured, Transferable, Redeemable, Transferable Non-Convertible Debentures ("NCDs" or "Debentures") amounting up to INR 19,98,00,000/- by IFL Finance Limited, through private placement in the draft/final Disclosure Documents/IM/Letter of Offer/any Other Document to be filed with Debenture Trustee and/ or Stock Exchanges and / or Registrar of Companies or in other regulatory body in respect of the abovementioned issue. We also authorize you to deliver a copy of this consent to Debenture Trustee / Stock Exchanges / Registrar of Companies.

The following details with respect to us may be disclosed:

Name	Skyline Financial Services Private Limited
Address	D-153/A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020.
Telephone	011-40450193-97
Website	www.skylinerta.com
Contact Person	Pawan Singh Bisht
SEBI Registration Number	INR000003241

We confirm that we are registered with SEBI and that such registration is valid as on the date of this letter.

We also confirm that we have not been prohibited from SEBI to act as an intermediary in capital market issues.

We are pleased to accept the appointment as the Registrar and Share Transfer Agent of your esteemed company for providing single point connectivity.

For and behalf of
Skyline Financial Services Private Limited



Pawan Singh Bisht
Assistant General Manager (Corporate Affairs)
and Compliance Officer
Place: New Delhi

CL/25-26/20790

(Annexure IIA)

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT/ INFORMATION MEMORANDUM

[In reference to Chapter II, Clause 2.2.4 of SEBI Master Circular for Debenture Trustees dated August 13, 2025]

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB: ISSUE OF 19,980 (NINETEEN THOUSAND NINE HUNDRED AND EIGHTY) LISTED, RATED, SENIOR, SECURED, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES DENOMINATED IN INDIAN RUPEES ("INR"), HAVING A FACE VALUE OF INR 10,000 (INDIAN RUPEES TEN THOUSAND) EACH AND AN AGGREGATE NOMINAL VALUE OF INR 19,98,00,000 (INDIAN RUPEES NINETEEN CRORE AND NINETY EIGHT LAKH) ("DEBENTURES" OR "NCDS") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") FOR CASH AT PAR ON A FULLY PAID-UP BASIS BY IFL FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document / information memorandum and all disclosures made in the offer

CATALYST TRUSTEESHIP LIMITED

Registered Office : GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038 Tel : +91 (20) 6680 7200
Delhi Office : 910-911, 9th Floor, Kailash Building, 26 Kasturba Gandhi Marg, New Delhi - 110 001 Tel : +91 (11) 4302 9101/02
Corporate Office : 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
Tel : +91 (22) 4922 0555 Fax : +91 (22) 4922 0505
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document / information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document / placement memorandum.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai

Date: October 31, 2025

For Catalyst Trusteeship Limited

**Ms. Krina Bhavsar
Manager**


AJAY RATTAN & CO.
CHARTERED ACCOUNTANTS
INDEPENDENT AUDITOR'S REPORT

 To the Members of **IFL Housing Finance Limited**
Report on the Audit of the Standalone Financial statements
Opinion

We have audited the accompanying financial statements of **IFL Housing Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



H.O.: E-115, 11th Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi-110001 (P) : 011-41511852-53 (E) : ajay@ajayrattanco.com

B.O.: 1113, 11th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001

B.O.: House No. 14266, Street No. 2A, Ganesha Basti, Bathinda-151001, Punjab

(P) : 9023637000

(E) : varun@ajayrattanco.com

Other Branches at : Gurugram, Noida & Bhopal



AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has





adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





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CHARTERED ACCOUNTANTS

- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v) The Company has not declared or paid any dividend during the year.





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CHARTERED ACCOUNTANTS

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner
Membership No. 523588
UDIN: 2352358886400 YW2662

Place: New Delhi
Dated: 29.05.2023



"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2023:

We report that:

1) Property Plant and Equipment and Intangible Assets

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The company is maintaining proper records showing full particulars of intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee);
- e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

- a) The company does not have any inventory and hence reporting under clause (ii) paragraph 3 of the order is not applicable.
- b) The company has not been sanctioned working capital limits on the basis of security of current assets.

3) Investments, Guarantee/Security, Loan and Advance

- a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has invested surplus funds in Mutual Funds and these investments are not prejudicial to the interest of the company.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
- d) The total amount overdue for more than ninety days is Rs. 2,49,16,000/- and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;
- e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.





- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

In our opinion and according to the information and explanation given to us, the company has not given loans, investments, guarantees, and securities covered under section 185 and 186 of the Companies Act, 2013.

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

According to the information and explanation given to us, the government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the services of the company.

7) Statutory Dues

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.

8) Unrecorded Income

Based upon the audit procedures performed and the information and the explanations given by the management, there are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.





9) Repayment Of Dues

Based upon the audit procedures performed and according to information and explanations given to us:

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;
- b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;
- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) Short-term loans raised by the company have not been utilised for long-term purposes.
- e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;
- f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

10) Application Of Money Raised by Public Issue and Preferential Allotment

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

Based upon the audit procedures performed and the information and explanations given by the management:

- a) No fraud on or by the company has been noticed or reported during the year.
- b) no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been received during the year by the company.

12) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13) Transaction With Related Parties

In our opinion, all the transactions with related parties are in accordance with section 177 and 188 of the Companies Act, 2013 and the details have been properly disclosed in financial statements as required by applicable accounting standards.





14) Internal Audit System

- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

15) Non-Cash Transaction with Director

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16) Registration With RBI

- a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) The Group does not have any CIC as part of the Group.

17) Cash Losses

The company has not incurred any cash loss in the financial year and in the immediately preceding financial year being audited.

18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

19) Existence Of Material Uncertainty as To Company Ability to Meet Its Liabilities

As per our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date





20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

21) Qualifications Or Adverse Remarks in Caro Reports of Group Companies

This clause shall be dealt with in the consolidated auditor's report.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner
Membership No. 090975
UDIN: 235235888600462662

Place: New Delhi
Dated: 29.05.2023



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **IFL Housing Finance Limited** ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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





Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No. 012063N

CA. Varun Garg
Partner

Membership No. 523588
UDIN: 23523588 BGDUYW2662



Place: New Delhi
Dated: 29.05.2023



Additional Auditor's Report

To,
The Board of Directors
IFL Housing Finance Limited
D-16, First Floor, Sector-14,
Prashant Vihar, Rohini
New Delhi 110085

Report on the Financial Statements

1. In addition to the report made under section 143 of the Companies Act, 2013 (the 'Act') on the financial statements of IFL Housing Finance Limited ('the Company') for the year ended 31st March 2023 and as required by the Master Direction – Non- Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 (the 'Directions'), we make a separate report to the Board of Directors of the Company on the matters specified in paragraphs 70 & 71 of the Directions to the extent applicable.

Management's and Board of Director's Responsibility for the financial statements

2. The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true & fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. The Company's management is responsible for ensuring that the Company complies with the requirements of the Directions. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Directions.

Auditor's Responsibility

4. Pursuant to the requirements of the Directions, it is our responsibility to provide reasonable assurance on whether the Company has complied with the matters specified in the Directions to the extent applicable to the Company.
5. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.





6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.'

Conclusion

7. Based on the examinations of the financial statements as at and for the year ended March 31, 2023, books of accounts and relevant records of the Company and according to the information and explanations given to us, we further report on the matters specified in Paragraph 70 & 71 of the Directions that:
- 70.1.1 The company has received the Certificate of Registration (COR) No. 12.0164.17 dated 12th December, 2017 from National Housing Bank. Following are the Principal business criteria for the company:-
The company provided more than 55% (As per notification no. RBI/2020-21/73, dated 17th February, 2021) of its total assets (netted off by intangible assets) in financing of housing loan. "Housing finance" for this purpose shall mean providing finance as stated at clauses (a) to (k) of Paragraph 4.1.16 of the directions.
The company provided more than 45% (As per notification no. RBI/2020-21/73, dated 17th February, 2021) out of its total assets (netted off by intangible assets) by way of housing finance for individuals as stated at clauses (a) to (e) of Paragraph 4.1.16 of the directions.
- 70.1.2 The company is meeting the Net Owed Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987.
- 70.1.3 The Company has complied with Section 29C of the National Housing Bank Act, 1987.
- 70.1.4 The total borrowings of the Company are within the limits prescribed under paragraph 27(2) of the directions.
- 70.1.5 Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that the company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirement, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/ investments as specified in the directions.
- 70.1.6 The capital adequacy ratio as disclosed in the half-yearly statutory return submitted to the National Housing Bank as per the directions issued by National Housing Bank in this regard, has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR).
- 70.1.7 The Company has furnished to the National Housing Bank within the stipulated period the half-yearly statutory return, as specified in the directions issued by National Housing Bank.
- 70.1.8 Provisions relating to filing of quarterly statutory return on Statutory liquid assets (Schedule III) as specified in the directions issued by the NHB are not applicable on the company.





AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

- 70.1.9 The Company has complied with the requirements contained in the directions, in the case of opening of new branches/ offices or in the case of closure of existing branches/ offices.
- 70.1.10 The company has complied with the provisions contained in Paragraph 3.1.3, Paragraph 3.1.4 and Paragraph 18 of the directions.
- 70.1.11 The Board of Directors of the company has passed a resolution for non-acceptance of any public deposits.
- 70.1.12 The Company has not accepted any public deposit during the year ended 31st March, 2023.

Restriction to use

8. This Report is addressed to and provided to the Board of Directors solely to comply with the aforesaid Direction and submission to NHB/RBI, if required and may not be suitable for any other purpose. Accordingly, our Report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

For Ajay Rattan & Co.
Chartered Accountants
(Firm Registration No.012063N)



CA. Varun Garg
Partner
Membership No. 523588
UDIN: 23523588 B600Y W2662

Place: New Delhi
Dated: 29.05.2023

IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr. No.	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS				
I	Financial assets			
	(a) Cash and cash equivalents	4a	437.91	169.63
	(b) Bank Balance other than Cash and cash equivalents	4b	782.48	1,102.04
	(c) Loans	5	24,940.34	14,558.71
	(d) Investments	6	100.50	202.92
	(e) Other financial assets	7	208.79	194.15
	Total Financial assets		26,470.02	16,227.45
II	Non-financial assets			
	(a) Deferred tax assets (net)	8	177.69	100.61
	(b) Property, plant and equipment	9	159.69	189.78
	(c) Right to use Asset	9	679.98	707.01
	(d) Intangible assets under development	10	-	25.61
	(e) Other intangible assets	9	92.33	74.53
	(f) Other non-financial assets	11	29.30	15.30
	Total Non-financial assets		1,138.99	1,112.84
	Total Assets		27,609.01	17,340.29
LIABILITIES AND EQUITY				
LIABILITIES				
I	Financial liabilities			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	12	16,947.21	8,317.98
	(c) Other financial liabilities	13	1,053.77	887.16
	Total Financial liabilities		18,000.98	9,205.14
II	Non-financial liabilities			
	(a) Current tax liabilities (net)		86.82	36.11
	(b) Provisions	14	31.67	13.33
	(c) Deferred Tax Liabilities (Net)	8	-	-
	(d) Other non financial liabilities	15	1.70	41.70
	Total Non-financial liabilities		120.19	91.13
EQUITY				
	(a) Equity share capital	16	6,592.30	6,047.34
	(b) Other equity	17	2,895.54	1,996.68
	Total Equity		9,487.84	8,044.02
	Total Liabilities and Equity		27,609.01	17,340.29

Notes to the Ind AS financial statements

1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

Varun Garg
Partner
Membership No. 523588

New Delhi, the 29th day of May, 2023

UDIN : 23523588BGVUYW2662



For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Whole Time Director
DIN: 06607944

Prerna Matta Arora
CFO
PAN: BAMP7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr. No.	Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations			
(i)	Interest Income	18	4,216.85	2,174.45
(ii)	Fees and Commission Income	19	123.05	71.32
(iv)	Net Gain on Fair Value Changes	20	53.70	24.47
(iii)	Other Income From Operations	21	58.74	30.62
I	Total Revenue From Operations			
II	Other Income	22	124.36	46.86
III	Total Income (I+II)		4,576.70	2,347.72
	Expenses			
	Finance costs	23	1,703.50	537.70
	Impairment on Financial Instruments	24	56.19	30.72
	Employee benefits expenses	25	1,443.65	802.17
	Depreciation and amortisation expenses	9	235.93	159.90
	Other expenses	26	512.46	281.82
IV	Total Expenses		3,951.73	1,812.31
V	Profit/ (loss) before exceptional items and tax (III-IV)		624.97	535.41
VI	Exceptional items		-	-
VII	Profit/ (loss) before tax		624.97	535.41
VIII	Less: Tax expense			
	Current tax	27	253.46	188.90
	Deferred tax (Net)	27	(75.88)	(56.07)
IX	Net Profit/ (loss) after tax		447.39	402.58
	Other Comprehensive Income			
	A. Items that will be not be reclassified to profit or loss			
	-Remeasurements of Defined Benefit Obligation		(4.77)	-
	B. Income tax relating to items that will not be reclassified to profit or loss		1.20	-
X	Total Other Comprehensive Income (A+B)		(3.57)	-
XI	Total Comprehensive Income (IX+X)		443.82	402.58
XII	Earning Per Equity Share (EPS)			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	28	0.73	0.70
	Diluted (in Rs.)	28	0.73	0.70

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

Varun Garg
Partner
Membership No. 523588



New Delhi, the 29th day of May, 2023

UDIN: 23523588 BG UUW 2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Whole Time Director
DIN: 06607944

Purna Matta Arora
Chief Financial Officer
PAN: BAMP7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	For the year ended on March 31, 2023	For the year ended on March 31, 2022
(I) Cash flow from Operating Activities		
Profit before tax	624.97	535.41
Adjustments for:		
Impairment Loss on Financial Instruments	56.19	30.72
Depreciation and amortisation expense	235.93	159.90
Loss on Assets Written Off	-	1.05
Re-measurements of Defined Benefit Obligation through OCI	(4.77)	-
Gain on Fair value changes due to Fair Value through P&L- Realised	(53.20)	(21.54)
Gain on Fair value changes due to Fair Value through P&L- Unrealised	(0.50)	(2.93)
Interest income at amortised cost	(4,243.72)	(2,179.18)
Fees and Commission Income	(123.05)	(71.32)
Finance cost at amortised cost	1,703.50	537.70
Cash inflow from Interest Income	4,071.65	2,059.67
Cash inflow from Fees and Commission Income	618.51	307.99
Cash outflow towards finance costs	(1,711.47)	(554.83)
Cash generated from operation before working capital changes	1,174.04	802.64
Working capital changes:		
(Increase)/ decrease in trade receivables	-	-
(Increase)/ decrease in loans	(10,834.52)	(5,934.28)
(Increase)/ decrease in financial assets	(14.64)	(41.51)
(Increase)/ decrease in non- financial assets	(14.00)	(1.65)
Increase/ (decrease) in trade payables	-	(3.95)
Increase/ (decrease) in other financial liabilities	222.48	147.85
Increase/ (decrease) in provisions	18.34	13.33
Increase/ (decrease) in non financial liabilities	(39.99)	35.44
	(9,488.29)	(4,982.16)
Income Tax paid (Net of refunds)	(202.75)	(156.39)
Net cash flow from operating activities (I)	(9,691.04)	(5,138.55)
(II) Cash flow from Investing Activities		
Increase in Bank Balance other than Cash & Cash Equivalents	319.56	(552.04)
Sale/ (Purchase) of Property, plant & equipment	(77.04)	(229.27)
Sale/ (Purchase) of investments	100.00	800.00
Gain on sale of Investment at FVTPL	56.12	57.69
Interest Earned on Fixed Deposits	73.32	75.21
Net cash flow from investing activities (II)	471.96	151.59
(III) Cash flow from Financing Activities		
Net proceeds from issue of equity share capital	1,000.00	1,101.99
Net proceeds from borrowings	8,706.90	3,763.05
Interest expense on lease liabilities	(69.70)	(40.16)
Lease Rentals Paid	(149.84)	(96.59)
Net cash flow from financing activities (III)	9,487.36	4,728.29
Net increase/(decrease) in cash and cash equivalents (I + II + III)	268.28	(258.67)
Cash and Cash Equivalents at the beginning of the year	169.63	428.30
Cash and Cash Equivalents at the end of the year (Note 4a)	437.91	169.63

The accompanying notes form an integral part of the Ind AS financial statements.

As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

Varun Garg

Partner

Membership No. 523588

New Delhi, the 29th day of May, 2023

UD/N: 23523588 B6UUYW2662


**For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED**
Gopal Bansal

Managing Director

DIN: 01246420

Ashish Bansal

Whole Time Director

DIN: 06607944

Prerna Matta Arora

Chief Financial Officer

PAN: BAMP7263C

Vijay Kr. Dwivedi

Company Secretary

PAN: BRGPD6317M



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

a. Equity Share Capital**Equity shares of Rs. 10 each issued, subscribed and fully paid**

Particulars	Number	Amount
As at April 01, 2021	5,44,68,000	5,446.80
Shares allotted through right issue during the year	60,05,400	600.54
As at March 31, 2022	6,04,73,400	6,047.34
Shares allotted through right issue during the year	54,49,600	544.96
As at March 31, 2023	6,59,23,000	6,592.30

b. Other Equity**Statement of Changes in Other Equity for the year ended March 31, 2023**

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2022	321.18	566.15	1,109.35	-	1,996.68
Equity Shares issued during the year	-	455.04	-	-	455.04
Profit For the Year	-	-	447.39	-	447.39
Total Comprehensive Income for the year	-	-	-	(3.57)	(3.57)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987	89.48	-	(89.48)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54

Statement of Changes in Other Equity for the year ended March 31, 2022

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2021	240.66	64.70	787.29	-	1,092.65
Equity Shares issued during the year	-	501.45	-	-	501.45
Profit For the Year	-	-	402.58	-	402.58
Total Comprehensive Income for the year	-	-	-	-	-
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 *	80.52	-	(80.52)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2022	321.18	566.15	1,109.35	-	1,996.68

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

Varun Garg

Partner

Membership No. 523588

New Delhi, the 29th day of May, 2023

UDIN : 23523588 BG4UUYW2662



For and on behalf of the Board of Directors of

IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Perna Matta Arora
CFO
PAN: BAMP7263C

Ashish Bansal
Whole Time Director
DIN: 06607944

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

1. Corporate Information:

IFL HOUSING FINANCE LIMITED (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013 and has been carrying on business of providing loans to Retail Customers for Purchase and/or Construction of Residential Property, Repair and Renovation of Residential Property, along with Loan Against Property and Loan against Collateral of Gold Jewellery. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh and Haryana.

The financial statements have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 29, 2023.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable.

(b) Presentation of financial statements:

- (i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.
- (ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.
- (iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3D)
- Effective interest rate (EIR) [Refer note no. 3D]
- Impairment of financial assets [Refer note no. 3D]
- Provisions and contingent liabilities (Refer note no. 3H)
- Provision for tax expenses (Refer 3E)



IFL HOUSING FINANCE LIMITED

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3F)

3. Summary of significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

(B) Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.A.(i)].

(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

(C) Cash & cash equivalents:

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

(D) Financial instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.



IFL HOUSING FINANCE LIMITED

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De- recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees,



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of financial liabilities:

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned liabilities or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of Financial Instrument:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Value of collaterals, Age Group, Mortgage type and Education considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).
- Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.
- Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI whichever is higher.

(E) Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax



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assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

(F) Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15

*Taken at 10 years in case of those assets where management thinks fit.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(G) Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period of ten years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

(H) Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

(I) Employee benefits:

(i) Short term employee benefits:

- (a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.
- (b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:

➤ **Defined Contribution Plan**

- (a) **Provident Fund:** The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees
- (b) **Employee State Insurance:** The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

➤ **Defined Benefit Plans**

- (a) **Gratuity:** The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

- (b) **Leave Encashment:** The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(J) Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

(K) Earnings per share (EPS):

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the Ind AS financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(L) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 in respect of Financial Instruments as under:-

(i) Ind AS 109- Financial Instruments

The amendment specifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(ii) Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in Lakhs, except for share data and unless otherwise stated)

4.

(a)

Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	118.88	110.61
<u>Balance with banks:</u>		
-In current accounts	169.03	58.55
-Remittance in Transit	-	0.47
<u>In Other Deposit Accounts</u>		
-In fixed deposits (maturities upto 3 months)	150.00	-
Total	437.91	169.63

(b)

Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with bank (maturities more than 3 months)	-	50.00
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))		
-In fixed deposits (maturities more than 3 months)	782.48	1,052.04
Total	782.48	1,102.04

4.(b).(i)

Fixed Deposit with bank under Lien

- a. Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
b. Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to NHB for loan.
c. Fixed deposits of Rs. 31.88 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
d. Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. NIL) against which Bank Guarantee is being given to DCB for loan.
e. Fixed deposits of Rs. 568.60 Lakhs (P.Y. Rs. 950 Lakhs) against which Overdraft limit from AU Bank.
f. Fixed deposits of Rs. 1 lakhs (P.Y. Rs. 1.02 Lakhs) against Overdraft Facility from Federal Bank.
g. Fixed deposits of Rs. 1 lakhs (P.Y. Rs. 1.02 Lakhs) against Overdraft Facility from City Union Bank.

4.(b).(ii)

The amount of Fixed deposits above does not include interest accrued of Rs 47.58 Lakhs as included separately in other financial assets- accrued interest on FD.

5.

Loans
At Amortised Cost

Particulars	As at March 31, 2023	As at March 31, 2022
<u>(A) Term Loans</u>		
Housing loans	14,709.01	8,559.55
Loan Against Property	1,783.43	2,205.06
Loan Against Shares	-	181.34
Loan Against Gold Jewellery	8,596.83	3,705.51
Total Gross (A) (I)	25,089.27	14,651.46
Less: Impairment Loss Allowance	148.93	92.75
Total Net (A) (II)	24,940.34	14,558.71
(B) (i) Secured by Tangible Assets	25,089.27	14,470.12
(ii) Secured by Intangible Assets	-	181.34
(ii) Unsecured	-	-
Total Gross (B) (I)	25,089.27	14,651.46
Less: Impairment Loss Allowance	148.93	92.75
Total Net (B) (II)	24,940.34	14,558.71
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	25,089.27	14,651.46
Total Gross (C) (I)	25,089.27	14,651.46
Less: Impairment Loss Allowance	148.93	92.75
Total Net (C) (II)	24,940.34	14,558.71
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	-	-
Total Net (C) (II) and (III)	24,940.34	14,558.71

5.1

Loans granted to promoters, Directors, KMPS and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil



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CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

6. Investments
In India (at FVTPL)

Particulars	As at March 31, 2023	As at March 31, 2022
In Mutual Funds*		
A. At Fair Value through profit and loss	100.00	199.99
Add: Fair Value Gains	0.50	2.93
Total Gross	100.50	202.92
B. Impairment Loss Allowance	-	-
C. Net (A)- (B)	100.50	202.92

* 100% of the investments in mutual funds are in Equity Oriented Mutual Funds as on 31st March 2023

6.1 Details of Investments are as follows:
Mutual Funds as on March 31st, 2023

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	9,99,950	100.50
Total	9,99,950	100.50

Mutual Funds as on March 31st, 2022

Particulars	Units (in Nos.)	Amount
SBI Magnum Low Duration Fund	3,514	100.05
SBI Multicap Fund	9,99,950	102.87
Total	10,03,464	202.92

7. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit- Unsecured; Considered Good	37.00	35.75
Accrued interest		
-on FD	47.58	67.16
-on others	2.29	1.15
Balances with Govt Authorities	10.89	-
Cash Collateral (Deposits)	58.13	79.23
Others	52.90	10.86
Total	208.79	194.15

8. Deferred tax assets/(Liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance of Deferred Tax Asset	100.61	44.54
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	75.88	56.07
b. Changes in deferred tax recorded in other comprehensive Income	1.20	-
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	177.69	100.61

8.1 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.54	0.61
Disallowances u/s 40A of the Income Tax Act, 1961	4.08	2.60
Impairment on financial instruments	(23.02)	23.34
Depreciation and amortisation expenses	9.09	2.90
Financial Instrument (Loans) measured at EIR	99.86	48.39
Financial Instrument (Borrowings) measured at EIR	(19.55)	(14.42)
Lease Liability Impact	5.06	5.08
Special Reserve Created u/s 36(1)(viii)	(0.79)	(11.16)
Unrealised net gain/loss on fair value changes	0.61	(0.74)
Others	-	(0.53)
Deferred Tax Assets	75.88	56.07



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

8.2 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	1.20	-
Deferred Tax Assets	1.20	-

- 8.3 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

9. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2023:

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at April 01, 2022	Addition	Deduction/Sale	As at March 31, 2023	As at April 01, 2022	For the Year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, Plant and Equipment									
Furniture and fixtures	107.13	23.35	-	130.48	23.76	26.09	49.85	80.63	83.37
Vehicles	19.95	-	-	19.95	12.95	2.11	15.06	4.89	7.00
Office Equipments	63.59	16.04	0.09	79.54	22.26	20.02	42.28	37.27	41.34
Computers	85.16	9.96	-	95.12	39.09	32.46	71.55	23.57	46.07
Plant and Machinery	13.77	3.89	-	17.66	1.77	2.56	4.33	13.33	12.00
Sub Total	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69	189.78
Previous Year	106.17	184.48	1.05	289.60	44.07	55.77	99.83	189.78	62.11
B. Right of use Assets									
Office Premises (Right of Use asset)	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
Sub Total	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
Previous Year	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
C. Intangible Assets									
Softwares	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
Sub Total	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
Previous Year	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2022:

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at April 01, 2021	Addition	Deduction/Sale	As at March 31, 2022	As at April 01, 2021	For the Year	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
A. Property, Plant and Equipment									
Furniture and fixtures	37.09	70.04	-	107.13	7.65	16.11	23.76	83.37	29.44
Vehicles	18.34	1.61	-	19.95	10.11	2.84	12.95	7.00	8.23
Office Equipments	23.25	41.22	0.88	63.59	8.92	13.34	22.26	41.34	14.33
Computers	27.49	57.84	0.17	85.16	17.39	21.70	39.09	46.07	10.10
Plant and Machinery	-	13.77	-	13.77	-	1.77	1.77	12.00	-
Sub Total	106.17	184.48	1.05	289.60	44.07	55.77	99.83	189.78	62.11
Previous Year	66.00	40.17	-	106.17	26.57	17.49	44.07	62.11	39.45
B. Right of use Assets									
Office Premises (Right of Use asset)	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
Sub Total	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01	114.08
Previous Year	62.17	84.25	-	146.42	24.63	7.71	32.34	114.08	37.54
C. Intangible Assets									
Softwares	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95
Sub Total	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53	80.95
Previous Year	70.75	40.63	-	111.38	10.80	19.63	30.43	80.95	59.95

Notes

- 9.1 All the above property, plant & equipment are owned by the company unless specified otherwise.



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CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

10. Intangible assets under development

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development (software)	-	25.61
Total	-	25.61

Intangible assets under development as on March 31, 2023

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

Intangible assets under development as on March 31, 2022

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	25.61	-	-	-
Software Development temporary suspended	-	-	-	-

11. Other non- financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Statutory Authorities	7.67	-
Prepaid expenses	21.63	15.30
Total	29.30	15.30

12 Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	5,175.65	4,564.09
- From Other Non-Banking Financial Companies	8,568.59	1,538.22
- From National Housing Bank	1,052.06	900.56
Overdraft:		
- From Banks	900.91	1,315.11
Total	15,697.21	8,317.98
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	1,250.00	-
Total	1,250.00	-
Out of Above:		
In India	16,947.21	8,317.98
Outside India	-	-

12.1 Nature of Security

- Term Loans from Banks are secured against hypothecation of present and future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.
- Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present and future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.
- The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present and future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.
- Overdraft Facility from Bank is against pledge of customers' gold with maximum margin of 25%, Corporate guarantee of holding company and personal guarantee of MD/Directors. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank and Federal Bank.
- Quarterly Returns filed with NHB are in agreement with the books of accounts.
- The company has duly filed Registration of charges and Satisfaction of charges with Registrar Of Companies.
- The company has taken unsecured loan of Rs 12,50,000,000/- from a Non- Banking Financial Company which is repayable on demand.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

12.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2023

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,189.71	2,004.81	1,120.63	860.50	5,175.65
ROI 9.15%-14.00%					
From National Housing Bank (NHB)	254.49	403.79	101.77	292.01	1,052.06
ROI 6.55%-7.85%					
From Non-Banking Financial Companies	2,889.08	4,641.18	1,038.33	-	8,568.59
ROI 11.00%-14.00%					
Overdraft:					
From Banks	900.91	-	-	-	900.91
ROI 10.00%-10.75%					
Total Secured	5,234.19	7,049.78	2,260.73	1,152.51	15,697.21
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	1,250.00	-	-	1,250.00
ROI 12.00%					
Total Unsecured	-	1,250.00	-	-	1,250.00
Total	5,234.19	8,299.78	2,260.73	1,152.51	16,947.21
EIR Impact					155.37
Total					17,102.58

Terms of Repayment of Term Loans and Debentures as at March 31, 2022

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	714.21	1,501.58	1,327.13	1,021.17	4,564.09
ROI 8.70%-9.23%					
From National Housing Bank (NHB)	288.00	576.00	36.56	-	900.56
ROI 6.55%-6.65%					
From Non-Banking Financial Companies	633.89	692.89	211.44	-	1,538.22
ROI 11.45%-12.60%					
Overdraft:					
From Banks	1,315.11	-	-	-	1,315.11
ROI 9.90%-10.75%					
Total	2,951.20	2,770.47	1,575.13	1,021.17	8,317.98
EIR Impact					77.70
Total					8,395.68

12.3 The company has not been declared wilful defaulter by any bank or financial institution or other lenders.

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IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

13. Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Accrued But Not Due on Borrowings	77.77	3.74
Lease liability* (Note 13.a)	741.36	728.33
Expenses payable	144.30	117.58
Payable to Statutory Authorities	38.51	8.49
Other Payables	51.83	29.01
Total	1,053.77	887.16

*Disclosed as required by Ind AS 116 - Leases as state below

a. Lease Liability Movement

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	728.33	114.65
<u>Add:</u>		
Addition during the year	105.76	680.98
Interest on lease Liability	69.70	40.16
<u>Less:</u>		
Derecognised during the year	(12.59)	(10.87)
Lease Rental Payments	(149.84)	(96.59)
Balance as at the end of the year	741.36	728.33

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2023	As at March 31, 2022
Less than One year	18.51	71.85
One to five Year	58.13	402.48
More than five Year	664.72	254.00
Total	741.36	728.33

14. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
-Gratuity	27.10	10.91
-Leave Encashment	4.57	2.42
Total	31.67	13.33

15. Other non financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Interest Received on Loans	1.70	41.70
Total	1.70	41.70

16. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	7,00,00,000	7,000.00	6,50,00,000	6,500.00
Issued, subscribed and fully paid-up shares	6,59,23,000	6,592.30	6,04,73,400	6,047.34

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	6,04,73,400	6,047.34	5,44,68,000	5,446.80
- Issued during the year (Right Issue)#	54,49,600	544.96	60,05,400	600.54
Total Outstanding at the end of the period	6,59,23,000	6,592.30	6,04,73,400	6,047.34

#The Company allotted equity shares of Rs. 10 each at a premium of Rs. 8.35 per share (P.Y. at a premium of Re. 8.35 per share) pursuant to the scheme of right issue.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	3,97,14,980	65.67%

16.4 Details of shareholders holding more than 5% shares in the Company: -

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	3,97,14,980	65.67%
Mr. Gopal Bansal	73,93,460	11.22%	53,88,000	8.91%
Mrs. Sunita Bansal	69,42,410	10.53%	62,23,070	10.29%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16.5 Details of shareholding held by promoters in the Company: -

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	4,13,49,860	62.72%	3,97,14,980	65.67%
Mr. Gopal Bansal #	73,93,460	11.22%	53,88,000	8.91%
Ms. Sunita Bansal #	69,42,410	10.53%	62,23,070	10.29%
M/s Gopal Bansal (Huf) *	20,07,734	3.05%	20,07,734	3.32%
Mr. Virender Kumar Bansal *	19,07,361	2.89%	13,62,401	2.25%
Ms. Santosh Bansal *	19,07,361	2.89%	13,62,401	2.25%
Ms. Kriti Suri #	14,80,010	2.25%	14,80,010	2.45%
Mr. Ashish Bansal #	6,81,201	1.03%	6,81,201	1.13%
Ms. Nirmala Devi \$	6,81,201	1.03%	6,81,201	1.13%
Mr. Naresh Kumar Bansal \$	6,81,201	1.03%	6,81,201	1.13%
Ms. Charu Bansal \$	6,81,201	1.03%	6,81,201	1.13%
M/s Arvind Kumar Bansal (Huf) *	2,09,990	0.32%	2,09,990	0.35%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%

* Relatives of Promoter Mr. Gopal Bansal

having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.

\$ Relatives of Promoter Mr. Ashish Bansal

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

17. Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Reserve		
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)		
Balance as per last financial statements	321.18	240.66
Add: Transferred during the year	89.48	80.52
Net Balance of Special Reserve	410.66	321.18
Securities Premium		
Opening balance	566.15	64.70
Add: addition/(deletion) during the year	455.04	501.45
Closing balance	1,021.19	566.15
Retained earnings		
Opening balance	1,109.35	787.29
Add: Profit/(loss) for the year	447.39	402.58
Less: Appropriation to Statutory reserve	(89.48)	(80.52)
Closing balance	1,467.26	1,109.35
Equity instruments through other comprehensive income		
Opening balance	-	-
Add: addition/(deletion) during the year	(3.57)	-
Closing balance	(3.57)	-
Total	2,895.54	1,996.68

17.1 Nature and Purpose of Reserves
a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
On financial assets measured at amortised cost		
- on loans	4,143.53	2,099.24
- Interest on Deposits with Banks	73.32	75.21
Total	4,216.85	2,174.45

19. Fees and Commission Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Fees and Other Charges	123.05	71.32
Total	123.05	71.32



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(Rs. in lakhs, except for share data and unless otherwise stated)

20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated through profit & loss	53.70	24.47
	<u>53.70</u>	<u>24.47</u>
(B) Others	-	-
Net gain on fair value changes	<u>53.70</u>	<u>24.47</u>
<u>Fair Value Changes:</u>		
- Realised	53.20	21.54
- Unrealised	0.50	2.93
Net gain on fair value changes	<u>53.70</u>	<u>24.47</u>

21. Other Income From Operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other Income From Operation	58.74	30.62
Total	<u>58.74</u>	<u>30.62</u>

22. Other Income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other Interest Income	26.87	4.74
Advertisement Income	88.26	32.50
Other Misc. Income	9.23	9.62
Total	<u>124.36</u>	<u>46.86</u>

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(Rs. in lakhs, except for share data and unless otherwise stated)

23. Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
- Interest on borrowings	1,619.62	490.64
- Interest expense on lease liabilities	69.70	40.16
- Bank Charges	14.18	6.90
Total	1,703.50	537.70

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On Financials Instruments measured at amortised Cost		
- Loans	56.19	30.72
Total	56.19	30.72

25. Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	1,213.41	681.70
Contribution to Provident and Other Funds	90.33	56.60
Staff Welfare Expenses	22.41	11.34
Other Benefits	117.50	52.53
Total	1,443.65	802.17

26. Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement expenses	16.21	15.02
Payments to Auditors (refer Note 26.1)	2.21	1.57
<u>Insurance Expense</u>		
- Car Insurance	0.02	0.22
- Office Insurance	27.42	12.51
Commission expenses	5.07	0.55
Conveyance expenses	75.44	38.92
Communication Expense	8.07	4.01
Director's Sitting Fees	1.66	2.35
Documentation & stamp charges	1.89	0.92
Document Handling & Storage Expense	6.25	2.23
<u>Donations</u>		
- for Corporate Social Responsibility (refer Note 26.2)	11.50	7.00
Fee & subscriptions	31.09	7.41
Interest on government dues	0.27	0.44
Legal & technical charges	71.92	38.49
Branch opening expenses	0.02	0.26
Professional charges	43.64	30.41
Printing & Stationery	21.82	16.38
Power & Fuel	23.19	9.70
Postage & Courier	11.41	5.19
Rent expenses	40.97	12.80
<u>Repair & Maintenance</u>		
- Office Repair & Maintenance	8.83	11.38
- Vehicle Repair & Maintenance	0.72	1.06
- Computer Repair & Maintenance	1.12	2.71
Software expenses	35.64	28.77
Server Maintenance Charges	7.02	2.78
Tour & travelling expenses	7.63	3.24
Other expenses	51.43	25.50
Total	512.46	281.82

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
- for statutory audit	1.36	0.89
- for tax audit	0.44	0.30
- for certification fees	0.41	0.38
Total	2.21	1.57



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
For Corporate Social Responsibility	11.50	7.00
Total	11.50	7.00

26.2.1

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Gross amount required to be spent by the Company during the year	11.50	9.36
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	-	2.50
d) Amount of Expenditure incurred during the year	11.50	7.00
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	-	-
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<u>Current tax</u>	253.46	188.90
Adjustment in respect of current income tax of prior years	-	-
<u>Deferred Tax</u>		
Deferred Tax Charge	(75.88)	(40.45)
Adjustment in respect of prior Year	-	(15.62)
Income tax expense reported in Statement of Profit and Loss	177.58	132.83

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2023 and year ended March 31, 2022 is, as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	624.97	535.41
At India's statutory income tax rate of 25.168% (2021: 25.168%)	157.30	134.75
<u>Reconciling Items</u>		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	11.95	11.16
Corporate Social Responsibility and Others	8.33	(13.08)
Income tax expense reported in the Statement of Profit and Loss	177.58	132.83

28. Earnings per Equity share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to ordinary equity holders	447.39	402.58
Weighted average number of equity shares for basic earnings per share	610.71	573.54
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	610.71	573.54
Earnings per equity share:		
Basic earnings per share (Rs.)	0.73	0.70
Diluted earnings per share (Rs.)	0.73	0.70



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As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 47.49 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 41.99 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:**(i) Defined Contribution Plan:**

- a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 64.44 Lakhs (March 31, 2022: Rs. 37.47 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.
- b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 14.40 lakhs (March 31, 2022: Rs. 8.22 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

- a. **Gratuity (unfunded):** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net Liability/(assets) recognised in the Balance Sheet

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the end	27.09	10.91

Net benefit expense recognised in Statement of Profit and Loss

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Service Cost	10.75	10.91
Net Interest Cost	0.67	0
Total expense recognised in the employee benefit expense	11.42	10.91

Details of changes in present value of defined benefit obligations as follows:

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Present value of obligation as at the beginning of the year	10.91	NA
Service cost	10.75	10.91
Net Interest Cost	0.67	0
Re-measurements	4.73	0



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Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	27.09	10.91

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particular	As at March 31, 2023	As at March 31, 2022
i) Discount rate	7.36%	6.19%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100.00%

Notes:

- (i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
 - (ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.
 - (iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.
- b. Leave Encashment:** The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 4.56 Lakhs.

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	437.91	-	437.91	169.63	-	169.63
(b) Bank Balance other Cash and cash equivalents	628.98	153.50	782.48	1,002.04	100.00	1,102.04
(c) Loans*	10,569.42	14,370.92	24,940.34	4,958.19	9,600.52	14,558.71
(d) Investments	100.50	-	100.50	202.92	-	202.92
(e) Other financial assets	113.67	95.12	208.79	103.46	90.69	194.15
Total Financial assets	11,850.48	14,619.54	26,470.02	6,436.24	9,791.21	16,227.45
Non-financial assets						
(a) Deferred tax assets (net)	-	177.69	177.69	-	100.61	100.61
(b) Property, plant and equipment	-	159.69	159.69	-	189.78	189.78



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(c) Right to use Asset	16.91	633.07	679.98	108.44	598.57	707.01
(d) Intangible assets under development	-	-	-	25.61	-	25.61
(e) Other intangible assets	-	92.33	92.33	-	74.53	74.53
(f) Other non-financial assets	29.30	-	29.30	15.30	-	15.30
Total Non-financial assets	46.21	1,092.78	1,139.99	149.35	963.49	1,112.84
Total Assets	11,896.69	15,712.32	27,609.01	6,585.59	10,754.70	17,340.29

*Provision is netting off based upon maturity date of loans.

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Borrowings (other than debt securities)	5,234.19	11,713.02	16,947.21	2,951.21	5,366.77	8,317.98
(c) Other financial liabilities	330.92	722.85	1,053.77	201.65	685.50	887.15
Total Financial liabilities	5,565.11	12,435.87	18,000.98	3,152.87	6,052.27	9,205.14
Non-financial liabilities						
(a) Current tax liabilities (net)	86.82	-	86.82	36.11	-	36.11
(b) Provisions	4.57	27.10	31.67	2.42	10.91	13.33
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non financial liabilities	-	1.70	1.70	0.02	41.68	41.70
Total Non-financial liabilities	91.39	28.80	120.19	38.55	52.59	91.14
(a) Equity share capital	-	6,592.30	6,592.30	-	6,047.34	6,047.34
(b) Other equity	-	2,895.54	2,895.54	-	1,996.68	1,996.68
Total Equity	-	9,487.84	9,487.84	-	8,044.02	8,044.02
Total Liabilities and Equity	5,656.50	21,952.51	27,609.01	3,191.41	14,148.88	17,340.29



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023**32. Contingent liabilities and commitments:**

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2023	As at March 31, 2022
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	992.21	856.39
	-Towards sanction pending disbursement	164.29	128.36
	-Towards part disbursement	827.92	728.03
(V)	Pending capital commitment	-	-

33. Capital**Capital Management**

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I capital	8,537.84	7,136.26
Tier II capital	66.83	52.38
Total capital (Tier I + Tier II)	8,604.67	7,188.64
Adjusted value of funded risk assets i.e. On Balance Sheet Item	15,790.31	9,540.81
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	496.10	428.20
Total Risk weighted assets	16,286.42	9,969.01
Tier I capital ratio	52.42%	71.58%
Tier II capital ratio	0.41%	0.53%
Total capital ratio	52.83%	72.11%

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company determines fair values of its financial instruments according to the following hierarchy:



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- Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
- Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	100.50	-	-	100.50

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2022 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	202.92	-	-	202.92

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss : For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2023	AS AT MARCH 31, 2022	AS AT MARCH 31, 2023	AS AT MARCH 31, 2022
Financial assets					
Cash and cash equivalents	1	437.91	169.63	437.91	169.63
Bank Balance other Cash and cash equivalents	1	782.48	1102.04	782.48	1102.04
Loans	3	24,940.34	14,558.71	24,940.34	14,558.71
Other financial assets	3	208.79	194.15	208.79	194.15
Financial assets		26,369.52	16,024.53	26,369.52	16,024.53
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-
(ii) total outstanding dues of creditors other than micro	3	-	-	-	-



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enterprises and small enterprises		-		-	
Borrowings (other than debt securities)	3	16,947.21	8,317.98	16,947.21	8,317.98
Other financial liabilities	3	1,053.77	887.16	1,053.77	887.16
Financial liabilities		18,000.98	9,205.14	18,000.98	9,205.14

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

- Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
- Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.



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The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at March 31, 2023:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	20,272.88	4,567.23	249.16
Allowance for ECL	66.83	27.06	55.05
ECL Coverage Ratio (%)	0.33%	0.59%	22.09%

As at March 31, 2022:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	11,865.49	2,598.32	187.64
Allowance for ECL	38.29	14.09	40.37
ECL Coverage Ratio (%)	0.32%	0.54%	21.51%

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2022	38.29	14.09	40.37
New Addition/Reduction during the year	28.54	12.97	14.68
Impairment Loss Allowance as at March 31, 2023	66.83	27.06	55.05

Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023**Asset liability management (ALM)**

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2023 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	437.91	-	-	-	-	-	-	-	437.91
Bank Balance other than Cash and cash equivalents	-	-	-	14.75	614.23	149.75	3.75	-	782.48
Loans	437.99	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	100.50	-	-	-	-	-	-	100.50
Other financial assets	12.06	-	-	13.04	105.38	35.46	5.85	37.00	208.79
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	338.56	331.65	333.41	1,094.77	3,135.80	8,299.78	2,260.73	1,152.51	16,947.21
Other financial liabilities	276.81	-	-	29.76	24.26	22.21	35.97	664.76	1,053.77



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The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2022 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	169.63	-	-	-	-	-	-	-	169.63
Bank Balance other than Cash and cash equivalents	-	1,002.04	-	-	-	-	100.00	-	1,102.04
Loans	396.31	276.01	225.75	1,279.46	2,780.68	2,639.06	2,836.14	4,125.31	14,558.71
Investments	-	202.92	-	-	-	-	-	-	202.92
Other financial assets	1.15	67.15	8.79	8.79	17.58	22.33	57.50	10.86	194.15
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	114.62	85.40	85.40	980.58	1,685.21	2,770.48	1,575.12	1,021.17	8,317.98
Other financial liabilities	135.78	6.03	6.08	17.89	35.86	139.09	263.39	283.03	887.16



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023**C. Market risk**

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at

fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings		
1% increase in interest rate	143.54	56.81
1% decrease in interest rate	(143.54)	(56.81)
On Floating Rate Loans and Advances		
1% increase in interest rate	20.17	27.40
1% decrease in interest rate	(20.17)	(27.40)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.



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36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023
37. Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Ms. Sunita Bansal (Whole Time Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO)* Mr. Vijay Kumar Dwivedi (Company Secretary) Ms. Gunjan Jain Jindal (CFO)** Mr. Somesh Tewari (CEO)***
(iii)	Relatives of Key Management Personnel	Ms. Charu Bansal Mr. Naresh Kumar Bansal Ms. Nirmala Devi
(iv)	Other Related Parties	Daisy Distributors Private Limited Gopal Bansal HUF

* Resigned on 24.04.2022 and Appointed w.e.f 01.11.2022

** Appointed on 25.04.2022 and Resigned w.e.f 31.10.2022

*** Appointed w.e.f 10.03.2023

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure":

(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2023	31/03/2022	31/03/2023	31/03/2022
			Amount	Amount	Amount	Amount
(i)	India Finsec Limited	Loan Taken	30.03	5.14	0	4.72
		Loan Repaid	36.73	0.56	0	0
		Interest Expense	2.19	0.16	0	0
		Corporate Guarantee Given by holding	7600.00	3300.00	18400.00	10800.00
(ii)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	17.61	17.24	1.50	1.50
		Allotment of Equity share	368.00	Nil	Nil	Nil
	Ms. Sunita Bansal	Rent paid	9.00	8.63	Nil	Nil
		Director remuneration	8.81	8.67	0.75	0.75
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil
		Allotment of Equity share	131.99	46.41	Nil	Nil
	Ms. Kriti Suri	Salary and Conveyance	8.79	8.65	0.75	0.75
	Ms. Ashish Bansal	Allotment of equity shares	Nil	56.88	Nil	Nil



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		Director remuneration	11.74	Nil	Nil	Nil
	Ms. Prerna Matta Arora	Salary	6.40	9.84	1.35	1.35
	Ms. Gunjan Jain Jindal	Salary	6.33	Nil	Nil	Nil
	Mr. Somesh Tewari	Salary	4.03	Nil	4.03	Nil
	Mr. Vijay Kr. Dwivedi	Salary	8.50	6.67	0.78	0.78
(iii)	Relatives of Key Management Personnel: -					
	Nirmala Devi	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Naresh Kr. Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	Charu Bansal	Allotment of Equity shares	Nil	56.88	Nil	Nil
	India Finsec Limited	Allotment of Equity shares	300.00	Nil	Nil	Nil
(iv)	Other Related parties: -					
	Gopal Bansal	Rent paid	9.00	8.63	Nil	Nil
	HUF	Allotment of Equity shares	Nil	Nil	Nil	Nil
		Advance given	Nil	Nil	Nil	Nil
		Advance received back	Nil	Nil	Nil	Nil

38. Segment reporting:

The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house, Loan against property and lending against collateral of gold jewellery. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2023	For the Year 31.03.2022	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	52.83%	72.11%	(19.28%)	Funding from Outside lenders.
(b) Tier I CRAR	Tier I Capital		52.42%	71.58%	(19.16%)	
(c) Tier II CRAR	Tier II Capital		0.41%	0.53%	(0.17%)	Nominal
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	The company's Inflows are more than outflows in the next 30 days, thus not applicable.			



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40. During the financial year ended March 31, 2022, the company has reclassified the following comparative figures which do not have material impact on the financial statements.

(Rs.in Lakhs)

Note No.	Note Description	Previously Reported Amount	Current Revised Numbers	Change
LIABILITIES				
1	Trade Payables ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12.36	-	(12.36)
2	Other financial liabilities	866.31	887.16	20.85
3	Other non - financial liabilities	50.19	41.70	(8.49)
NET CHANGE IN TOTAL LIABILITIES				0.00

41. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
42. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2022-23.

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

43. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	20,272.88	66.83	20,206.05	66.83	-
	Stage 2	4,567.23	27.06	4,540.17	12.83	14.23
Sub Total		24,840.11	93.88	24,746.22	79.66	14.23
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	197.14	31.43	165.71	30.32	1.11
Doubtful- upto 1 Year	Stage 3	29.34	7.66	21.68	7.50	0.16
1 to 3 Year	Stage 3	11.30	4.58	6.72	4.52	0.06
More than 3 Years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		40.64	12.23	28.40	12.02	0.23
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		249.16	55.05	194.11	53.71	1.34
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
	Stage 1	20,272.88	66.83	20,206.05	66.83	-
	Stage 2	4,567.23	27.06	4,540.17	12.83	14.23
	Stage 3	249.16	55.05	194.11	53.71	1.34
Total		25,089.27	148.93	24,940.33	133.37	15.56



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

44. Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

Particulars	As at March 31, 2023	
Liabilities side	Amount Outstanding	Amount Overdue
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits")		
(b) Deferred Credits	-	-
(c) Term Loans	17,024.98	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
Asset side	Amount Outstanding as at March 31, 2023	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		25,089.27
(b) Unsecured		-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease		-
(b) Operating Lease		-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		100.50
(iv) Government Securities		-
(v) Others		-
b. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-



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Long Term Investments	
a. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-
b. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others	-

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

(Please see Note 2 below)

Category	Amount Net of Provision as at March 31, 2023		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	24,940.34	-	24,940.34
Total	24,940.34	-	24,940.34

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

(Please see Note 3 below)

Category	Amount Net of Provision as at March 31, 2023		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	100.50	-	100.50
Total	100.50	-	100.50

** As per notified Accounting Standard (Please see Note 3)

8. Other Information

Particulars	Amount as at March 31, 2023
(i) Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	249.16
(ii) Net Non-Performing Assets	
(a) Related Parties	-
(b) Other Than Related Parties	194.11
(iii) Asset acquired in satisfaction of Debt	-

Notes:

a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021.

b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021.

c. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.



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(Rs. in lakhs, except for share data and unless otherwise stated)

45. Additional Disclosures In Terms of NHB Guidelines
45.1 Principal Business Criteria:

45.2.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 55.17% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) (Previous Year was 52.09%).

b. Out of the total assets (netted off by intangible), 55.17% is by way of housing finance for individuals (Previous Year was 52.09%).

45.1.2 The Company has duly submitted to the Reserve Bank, a Board approved plan including a roadmap to fulfil the above-mentioned criteria and timeline for transition through letter dated March 19, 2021.

45.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2023	As at March 31, 2022
(i) CRAR (%)	52.83%	72.11%
(ii) CRAR-Tier I Capital (%)	52.42%	71.58%
(iii) CRAR-Tier II Capital (%)	0.41%	0.53%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

45.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	82.65	46.49
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act, 1987	238.53	194.17
c) Total	321.18	240.66

Addition/Appropriation/Withdrawal during the year

Add:

a) Amount transferred u/s 29C of the NHB Act, 1987

Current Year	41.99	36.16
Previous Year Short Created	-	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	47.49	44.35

Less:

a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987

b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987

Balance at the end of the year

a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	124.64	82.65
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987	286.02	238.53
c) Total	410.66	321.18

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.



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(Rs. in lakhs, except for share data and unless otherwise stated)

45.4 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Value of Investments		
(i) Gross value of investments		
(a) In India	100.50	202.92
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	100.50	202.92
(b) Outside India	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

45.5 Derivatives**45.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The notional principal of swap agreements	Not Applicable	Not Applicable
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps \$	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

45.5.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

45.5.3 Disclosures on Risk Exposure in Derivatives**A. Qualitative Disclosure**

Company has no exposure in Derivatives. Hence Clause 51.5.3 is not Applicable



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

B. Quantitative Disclosure

Particulars	As at March 31, 2023		As at March 31, 2022	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

45.6 Securitisation

45.6.1 Particulars	As at March 31, 2023	As at March 31, 2022
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	Not Applicable
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	Not Applicable
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	Not Applicable
(I) Off-balance sheet exposures towards credit Enhancements	Not Applicable	Not Applicable
a) Exposure to own securitizations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
(II) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
a) Exposure to own securitisations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable

*Only the SPVs relating to outstanding securitisation transactions may be reported here

45.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at March 31, 2023	As at March 31, 2022
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.3 Details of Assignment transactions undertaken by HFCs

Particulars	As at March 31, 2023	As at March 31, 2022
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable



IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

45.6.4 Details of non-performing financial assets purchased / sold**A. Details of non-performing financial assets purchased:**

Particulars	As at March 31, 2023	As at March 31, 2022
1. (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Particulars	As at March 31, 2023	As at March 31, 2022
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

45.8 Exposure**45.8.1 Exposure to Real Estate Sector**

Particulars	As at March 31, 2023	As at March 31, 2022
Category		
A) Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	16,437.16	10,670.97
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	13,857.38	7,089.05
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	55.28	93.64
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	16,492.44	10,764.61

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

45.8.2 Exposure to Capital Market

Particulars	As at March 31, 2023	As at March 31, 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	100.50	-
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	181.34
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	100.50	181.34

45.8.3 Details of financing of parent company products

No financing of parent company products is done.

45.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

45.8.5 Unsecured Advances

The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

- a. The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.
- b.

45.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-



IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

45.7 Asset Liability Management:
Maturity pattern of certain items of Assets and Liabilities as on March 31, 2023

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	10.30	0.00	88.45	98.74	99.06	297.82	595.33	2004.81	1120.63	860.50	5175.65
Market Borrowings											
- FI	83.93	23.37	132.50	232.90	234.35	712.12	1,469.90	5,891.18	1,038.33	-	9818.59
- NHB	-	-	-	-	-	84.83	169.66	403.79	101.77	292.01	1,052.06
Overdraft From Banks	-	-	-	-	-	-	900.91	-	-	-	900.91
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	66.25	210.84	160.90	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	-	-	100.50	-	-	-	-	-	-	100.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2022

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	29.22	-	32.58	32.58	32.58	195.75	391.51	1,501.58	1,327.13	1,021.17	4,564.09
Market Borrowings											
- FI	-	-	52.82	52.82	52.82	158.47	316.94	692.89	211.44	-	1,538.22
- NHB	-	-	-	-	-	72.00	216.00	576.00	36.56	-	900.56
Overdraft From Banks	-	-	-	-	-	554.35	760.76	-	-	-	1,315.11
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	26.46	252.87	116.98	276.01	225.75	1,279.46	2,780.68	2,639.06	2,836.14	4,125.31	14,558.71
Investments	-	-	-	202.92	-	-	-	-	-	-	202.92
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-



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CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

46. Miscellaneous**46.1 Registration obtained from other financial sector regulators**

- Registration of the Company as LEI (Legal Entity Identifier) as required by RBI wide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2023.

- The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 201

46.2 Disclosure of Penalties imposed by NHB and other regulators

- There is no penalty imposed by NHB or other regulator during FY 2022-23.
- The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

46.3 Related party Transactions

Detailed information furnished under Note No. 37

46.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report.

46.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	Infomercs Valuation and Rat	IVR BBB-/Stable	11th August 2022	10th August 2023
Long Term Bank Facilities	Brickwork Ratings	BWR BBB-/Stable	17th August 2021	16th August 2022

46.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

46.7 Management

As provided in Board of Directors' Report.

46.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2023
Net Profit for the period (before tax)	624.97
Prior Period Items	-
Changes in Accounting Policies	Nil

46.9 Revenue Recognition

There is no deferment of revenue recognition.

46.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

46.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

47. Additional Disclosures
47.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2023	As at March 31, 2022
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	253.46	188.90
3. Provision towards NPA	55.05	40.37
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	93.88	52.38
5. Provision for Sub-standard assets	31.43	25.25
6. Provision for Doubtful assets	12.24	3.74
7. Provision for Loss Assets*	11.38	11.38
8. Provision for Employee Benefits	31.67	13.33

9. Other Provision and Contingencies (with details)

* Loss Assets due to identified as fraud during the FY 21-22.

Break up of Loan & Advances and Provisions thereon	As at March 31, 2023		As at March 31, 2022	
	Housing Loan	Non- Housing Loan	Housing Loan	Non- Housing Loan
Standard Assets				
a) Total Outstanding Amount	14,496.14	10,343.97	8,438.16	6,025.66
b) Provisions made	50.21	43.67	26.38	26.00
Sub-Standard Assets				
a) Total Outstanding Amount	174.99	22.15	99.86	61.81
b) Provisions made	27.88	3.55	15.70	9.55
Doubtful Assets – Category-I				
a) Total Outstanding Amount	15.80	13.54	10.46	4.15
b) Provisions made	4.10	3.56	2.67	1.08
Doubtful Assets – Category-II				
a) Total Outstanding Amount	11.00	0.30	-	-
b) Provisions made	4.46	0.12	-	-
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

47.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

47.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category- I
One to three years	Category- II
More than three years	Category- III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2022	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2023
Taxation (Current Tax)	188.90	253.46	188.90	253.46
Standard Assets	52.38	93.88	52.38	93.88
Sub-Standard Asset	25.25	58.27	52.09	31.43
Doubtful Asset	3.74	9.43	0.93	12.24
Loss Asset	11.38	-	-	11.38
Employee Benefits	13.33	18.33	-	31.66

47.2 Draw Down from Reserves

Company has not drawn any amount from reserves.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

47.3 Concentration of Public Deposits, Advances, Exposures and NPAs
47.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable

47.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans & advances to twenty largest borrowers	587.08	797.85
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	2.34%	5.48%

Note:

Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding. Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

47.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to twenty largest borrowers/customers	587.08	797.85
Percentage of exposures of twenty largest borrowers / customers to total exposure of the	2.25%	5.18%

Note:

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

47.3.4 Concentration of NPAs

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to top ten NPA accounts	122.16	95.78
Total exposure to NPA accounts	249.16	187.64

47.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2023	As at March 31, 2022
A. Housing Loans:		
1. Individuals	1.47%	1.42%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	2.08%	1.52%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.89%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Net NPAs to Net Advances (%)	0.78%	1.01%
(II) Movement of NPAs (Gross)		
a) Opening balance	187.64	64.64
b) Additions during the year	430.31	328.21
c) Reductions during the year	368.80	205.21
d) Closing balance	249.16	187.64
(III) Movement of Net NPAs		
a) Opening balance	147.27	44.96
b) Additions during the year	362.62	278.10
c) Reductions during the year	315.78	175.79
d) Closing balance	194.11	147.27
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	40.37	19.68
b) Provisions made during the year	67.69	50.11
c) Write-off/write-back of excess provisions	53.02	29.42
d) Closing balance	55.05	40.37

47.5 Overseas Assets

Particulars	As at March 31, 2023	As at March 31, 2021
Overseas Assets	-	-

47.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

47.7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Loan Outstanding against Collateral of Gold Jewellery	8,596.83	3,705.51
Gross Total Loans Outstanding	25,089.27	14,651.46
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	34.26%	25.29%

48. Disclosure of Complaints

Customers Complaints		(In Numbers)
Particulars	As at March 31, 2023	As at March 31, 2022
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	4	1
c) No. of complaints redressed during the year	3	1
d) No. of complaints pending at the end of the year	1	-

49. Fraud Cases

Particulars	As at March 31, 2023		As at March 31, 2022	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	1	11.38	1	11.38
Additional Loan Accounts detected as Fraud during the Year	1	9.30	-	-
Amount Recovered during the year	-	1.60	-	-
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	2	19.08	1	11.38
Provision Created		11.38		11.38



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

(Rs. in lakhs, except for share data and unless otherwise stated)

50.1 The Company is not engaged in the business of Insurance Agency.

51. During the year:

- 51.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.
- 51.2 No prior period items occurred which has impact on profit and loss account.
- 51.3 No change in any accounting policy.
- 51.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.
- 51.5 There was no withdrawal from Reserve fund.
- 51.6 Company has not accepted public deposits.
- 51.7 The company do not have an exposure to teaser rate loans.

52. There have been no events after the reporting date that requires disclosure in these financial statements.

53. The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2023

54. On 12 November 2021, the Reserve Bank of India (RBI) has issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On 15 February 2022, the RBI had issued another circular no. RBI/2021-22/158 DOR.STR.REC.85/21.04.048/-2021-22 providing time till 30 September 2022. The said circular requires the loan account that has turned 90+DPD on any date should continue to be Gross NPA till such time all the overdue including principal and interest is paid. The Company was already in the same practice.

55. The Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID- 19 related Stress" as per RBI circular dated August 06, 2020 for any of its borrower accounts.

56. Hon'ble Supreme Court, in a public interest litigation vide an interim order dated September 03, 2020 ('interim order'), has directed those accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 were not been classified as NPA.

The Interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has continued with the asset classification of borrower accounts as per the extant RBI instructions/ IRAC norms. Thus, the company followed usual asset classification norms as per the extant guidelines / directives issued by Reserve Bank of India for entire Financial Year 2020-21, without any suspension or relief of any form therefrom. This resulted in an account which otherwise was required to be classified as non-performing even prior to this final order but was not marked by the company as NPA, would now be considered as non-performing on the respective actual date of NPA.

57. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

58. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

CA. Varun Garg
Partner
Membership No. 523588



New Delhi, the 29th day of May, 2023

UDIN : 23523588 BGUVYW2662

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Ashish Bansal
Director
DIN: 06607944

Prerna Arora
CFO
PAN: BAMPM7263C

Vijay Kr. Dwivedi
Company Secretary
PAN: BRGPD6317M





INDEPENDENT AUDITOR'S REPORT

To the Members of **IFL Housing Finance Limited**

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of **IFL Housing Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the **profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has





adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v) The Company has not declared or paid any dividend during the year.





vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31, 2024 is as follows:

- Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner
Membership No. 523588
UDIN:24503588BKGYWJ4496

Place: New Delhi
Dated: 28/05/2024



"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024:

We report that:

1) Property Plant and Equipment and Intangible Assets

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The company is maintaining proper records showing full particulars of intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee);
- e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

- a) The company does not have any inventory and hence reporting under clause (ii) paragraph 3 of the order is not applicable.
- b) The company has not been sanctioned working capital limits on the basis of security of current assets.

3) Investments, Guarantee/Security, Loan and Advance

- a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has invested surplus funds in Mutual Funds and these investments are not prejudicial to the interest of the company.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
- d) The total amount overdue for more than ninety days is Rs. 3,14,92,000/- and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;





- e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.
- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

In our opinion and according to the information and explanation given to us, the company has not given loans, investments, guarantees, and securities covered under section 185 and 186 of the Companies Act, 2013.

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

According to the information and explanation given to us, the government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the services of the company.

7) Statutory Dues

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.

8) Unrecorded Income

Based upon the audit procedures performed and the information and the explanations given by the management, there are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.





9) Repayment Of Dues

Based upon the audit procedures performed and according to information and explanations given to us:

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;
- b) The company has not been declared a willful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;
- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) Short-term loans raised by the company have not been utilized for long-term purposes.
- e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;
- f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

10) Application Of Money Raised by Public Issue and Preferential Allotment

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

Based upon the audit procedures performed and the information and explanations given by the management:

- a) No fraud on or by the company has been noticed or reported during the year.
- b) no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been received during the year by the company.

12) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13) Transaction With Related Parties





In our opinion, all the transactions with related parties are in accordance with section 177 and 188 of the Companies Act, 2013 and the details have been properly disclosed in financial statements as required by applicable accounting standards.

14) Internal Audit System

- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

15) Non-Cash Transaction with Director

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16) Registration With RBI

- a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) The Group does not have any CIC as part of the Group.

17) Cash Losses

The company has not incurred any cash loss in the financial year and in the immediately preceding financial year being audited.

18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

19) Existence Of Material Uncertainty as To Company Ability to Meet Its Liabilities

As per our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date





20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

21) Qualifications Or Adverse Remarks in Caro Reports of Group Companies

This clause shall be dealt with in the consolidated auditor's report.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner
Membership No. 090975
UDIN:24523588BK6YUJ4496

Place: New Delhi
Dated: 28/05/2024



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **IFL Housing Finance Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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





Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

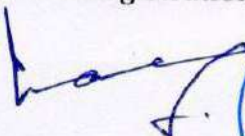
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner

Membership No. 523588

UDIN: 24523588BKGYWJ4496



Place: New Delhi
Dated: 28/05/2024

IFL HOUSING FINANCE LIMITED
CIN: U65910DL2015PLC285284
BALANCE SHEET AS AT MARCH 31, 2024

Sr.	Particulars	Notes	(Rs. in lakhs, except for share data and unless otherwise stated)	
			As at March 31, 2024	As at March 31, 2023
ASSETS				
I	Financial assets			
	(a) Cash and cash equivalents	4a	217.74	437.91
	(b) Bank Balance other than Cash and cash equivalents	4b	893.88	782.48
	(c) Loans	5	27,712.68	24,940.34
	(d) Investments	6	-	100.50
	(e) Other financial assets	7	135.30	208.79
	Total Financial assets		28,959.60	26,470.02
II	Non-financial assets			
	(a) Deferred tax assets (net)	8	195.57	177.69
	(b) Property, plant and equipment	9	154.14	159.69
	(c) Right to use Asset	9	621.03	679.98
	(d) Intangible assets under development	10	-	-
	(e) Other intangible assets	9	92.90	92.33
	(f) Other non-financial assets	11	28.27	29.30
	Total Non-financial assets		1,091.91	1,138.99
	Total Assets		30,051.51	27,609.01
LIABILITIES AND EQUITY				
LIABILITIES				
I	Financial liabilities			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	12	18,241.97	16,947.21
	(c) Other financial liabilities	13	960.05	1,053.77
	Total Financial liabilities		19,202.02	18,000.98
II	Non-financial liabilities			
	(a) Current tax liabilities (net)			
	(b) Provisions	14	101.51	86.82
	(c) Deferred Tax Liabilities (Net)	8	42.67	31.67
	(d) Other non financial liabilities	15	-	-
	Total Non-financial liabilities		1.70	1.70
	EQUITY		145.88	120.19
	(a) Equity share capital	16	6,592.30	6,592.30
	(b) Other equity	17	4,111.31	2,895.54
	Total Equity		10,703.61	9,487.84
	Total Liabilities and Equity		30,051.51	27,609.01

Notes to the Ind AS financial statements

1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

CA Varun Gogia
Partner
Membership No. 523588
UDIN: 24523588BK6400J4496
New Delhi, the 28th day of May, 2024



For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

Prerna Matta Arora
CFO
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2024

Sr.	Particulars	Notes	(Rs. in lakhs, except for share data and unless otherwise stated)	
			Year ended March 31, 2024	Year ended March 31, 2023
	Revenue from operations			
	(i) Interest Income	18	6,083.59	4,216.85
	(ii) Fees and Commission Income	19	195.49	123.05
	(iv) Net Gain on Fair Value Changes	20	11.97	53.70
	(iii) Other Income From Operations	21	42.46	58.74
I	Total Revenue From Operations		6,333.51	4,452.34
II	Other Income	22	44.03	124.36
III	Total Income (I+II)		6,377.54	4,576.70
	Expenses			
	Finance costs	23	2,326.37	1,703.50
	Impairment on Financial Instruments	24	48.79	56.19
	Employee benefits expenses	25	1,437.39	1,443.65
	Depreciation and amortisation expenses	9	208.58	235.93
	Other expenses	26	751.38	512.46
IV	Total Expenses		4,772.52	3,951.73
V	Profit/ (loss) before exceptional items and tax (III-IV)		1,605.02	624.97
VI	Exceptional items		-	-
VII	Profit/ (loss) before tax		1,605.02	624.97
VIII	Less: Tax expense			
	Current tax	27	407.96	253.46
	Deferred tax (Net)		(18.09)	(75.88)
IX	Net Profit/ (loss) after tax		1,215.15	447.39
	Other Comprehensive Income			
	A. Items			
	-Remeasurements of Defined Benefit Obligation		0.83	(4.77)
	B. Income tax relating to items that will not be reclassified to profit or loss		(0.21)	1.20
X	Total Other Comprehensive Income (A+B)		0.62	(3.57)
XI	Total Comprehensive Income (IX+X)		1,215.77	443.82
XII	Earning Per Equity Share (EPS)	28		
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)		1.84	0.73
	Diluted (in Rs.)		1.84	0.73

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

CA Varun Garg

Partner

Membership No. 523588

UDIN: 24523588BK9YWT4496

New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal

Managing Director

DIN: 01246420

Purna Matta Arora

Chief Financial Officer

PAN: BAMP7263C

Sunita Bansal

Whole Time Director

DIN: 02801660

Varsha Bharti

Company Secretary

PAN: AROP3152H



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2024

Particulars	(Rs. in lakhs, except for share data and unless otherwise stated)	
	For the year ended on March 31, 2024	For the year ended on March 31, 2023
(I) Cash flow from Operating Activities		
Profit before tax	1,605.02	624.97
Adjustments for:		
Impairment Loss on Financial Instruments	48.79	56.18
Depreciation and amortisation expense	208.58	235.93
Loss on Assets Written Off	-	-
Re-measurements of Defined Benefit Obligation through OCI	0.83	(4.77)
Gain on Fair value changes due to Fair Value through P&L- Realised	(11.97)	(53.19)
Gain on Fair value changes due to Fair Value through P&L- Unrealised	-	(0.50)
Interest Income at amortised cost	(6,086.97)	(4,243.72)
Fees and Commission Income	(195.49)	(123.06)
Finance cost at amortised cost	2,326.37	1,703.48
Cash inflow from Interest Income	5,793.11	4,071.65
Cash inflow from Fees and Commission Income	434.91	618.52
Cash outflow towards finance costs	(2,258.34)	(1,711.45)
Cash generated from operation before working capital changes	1,864.85	1,174.05
Working capital changes:		
(Increase)/ decrease in trade receivables	-	-
(Increase)/ decrease in loans	(2,851.19)	(10,834.51)
(Increase)/ decrease in financial assets	73.49	(14.65)
(Increase)/ decrease in non- financial assets	1.03	(14.01)
Increase/ (decrease) in trade payables	-	-
Increase/ (decrease) in other financial liabilities	(5.96)	222.47
Increase/ (decrease) in provisions	11.00	18.34
Increase/ (decrease) in non financial liabilities	0.00	(39.99)
Income Tax paid (Net of refunds)	(906.78)	(9,488.30)
Net cash flow from operating activities (I)	(1,300.05)	(9,691.05)
(II) Cash flow from Investing Activities		
Increase in Bank Balance other than Cash & Cash Equivalents	(111.40)	319.57
Sale/ (Purchase) of Property, plant & equipment	(82.79)	(77.04)
Sale/ (Purchase) of investments	100.00	100.01
Gain on sale of Investment at FVTPL	12.47	56.11
Interest Earned on Fixed Deposits	84.51	73.33
Net cash flow from investing activities (II)	2.79	471.98
(III) Cash flow from Financing Activities		
Net proceeds from issue of equity share capital	-	1,000.00
Net proceeds from borrowings	1,290.31	8,706.90
Interest expense on lease liabilities	(63.58)	(69.70)
Lease Rentals Paid	(149.63)	(149.84)
Net cash flow from financing activities (III)	1,077.09	9,487.36
Net increase/(decrease) in cash and cash equivalents (I + II + III)	(220.17)	268.29
Cash and Cash Equivalents at the beginning of the year	437.91	169.63
Cash and Cash Equivalents at the end of the year (Note 4a)	217.73	437.91

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

CA Varun Garg
Partner
Membership No. 523588
UDIN: 24523588K6YwJ4496
New Delhi, the 28th day of May, 2024



For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Whole Time Director
DIN: 02801660

Prerna Matta Arora
Chief Financial Officer
PAN: BAMPM7263C

Varsha Bharti
Company Secretary
PAN: AROPB3152H



IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2024**a. Equity Share Capital**

(Rs. in lakhs, except for share data and unless otherwise stated)

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	Number	Amount
As at April 01, 2022		
Shares allotted through right issue during the year	6,04,73,400	6,047.34
As at March 31, 2023	54,49,600	544.96
Shares allotted through right issue during the year	6,59,23,000	6,592.30
As at March 31, 2024	6,59,23,000	6,592.30

b. Other Equity

Statement of Changes in Other Equity for the year ended March 31, 2024

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	1,215.15	-	1,215.15
Total Comprehensive Income for the year	-	-	-	0.62	0.62
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987	243.03	-	(243.03)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2024	653.69	1,021.19	2,439.38	(2.95)	4,111.31

Statement of Changes in Other Equity for the year ended March 31, 2023

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2022	321.18	566.15	1,109.35	-	1,996.68
Equity Shares issued during the year	-	455.04	-	-	455.04
Profit For the Year	-	-	447.39	-	447.39
Total Comprehensive Income for the year	-	-	-	(3.57)	(3.57)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 *	89.48	-	(89.48)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

CA Varun Garg

Partner

Membership No. 523588

UDIN: 24523588BK6YWT4496

New Delhi, the 28th day of May, 2024

For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED

Gopal Bansal

Managing Director

DIN: 01246420

Prerna Matta Arora

CFO

PAN: BAMPM7263C

Sunita Bansal

Whole Time Director

DIN: 02801660

Varsha Bharti

Company Secretary

PAN: AROPB3152H

IFL HOUSING FINANCE LIMITED

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024**1. Corporate Information:**

IFL HOUSING FINANCE LIMITED (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013 and has been carrying on business of providing loans to Retail Customers for Purchase and/or Construction of Residential Property, Repair and Renovation of Residential Property, along with Loan Against Property and Loan against Collateral of Gold Jewellery. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh and Haryana.

The financial statements have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 28, 2024.

2. Basis of preparation and presentation:**(a) Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable.

(b) Presentation of financial statements:

- (i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.
- (ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.
- (iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3D)
- Effective interest rate (EIR) [Refer note no. 3D]
- Impairment of financial assets [Refer note no. 3D]
- Provisions and contingent liabilities (Refer note no. 3H)
- Provision for tax expenses (Refer 3E)



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- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3F)

3. Summary of Material accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cashflows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

(B) Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.A.(i)].

(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

(C) Cash & cash equivalents:

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

(D) Financial Instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees,



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of financial liabilities:

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned liabilities or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of Financial Instrument:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Value of collaterals, Age Group and Mortgage type considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar



IFL HOUSING FINANCE LIMITED

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).
- Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.
- Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI whichever is higher.

(E) Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax



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assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

(F) Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15

*Taken at 10 years in case of those assets where management thinks fit.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(G) Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

(H) Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

(I) Employee benefits:**(i) Short term employee benefits:**

- (a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.
- (b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:**> Defined Contribution Plan**

(a) **Provident Fund:** The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees

(b) **Employee State Insurance:** The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

> Defined Benefit Plans

(a) **Gratuity:** The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.



Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

- (b) **Leave Encashment:** The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(J) **Leases:**

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

(K) **Earnings per share (EPS):**

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the Ind AS financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(L) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 in respect of Financial Instruments as under:-

(i) Ind AS 109- Financial Instruments

The amendment specifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(ii) Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(iii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	187.67	118.88
<u>Balance with banks:</u>		
-In current accounts	30.07	169.03
-Remittance in Transit	-	-
<u>In Other Deposit Accounts</u>		
-In fixed deposits (maturities upto 3 months)	-	150.00
Total	217.74	437.91

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposit with bank (maturities more than 3 months)	-	-
Fixed Deposit with bank under Lien (Refer Note 4. (b). (i))	-	-
-In fixed deposits (maturities upto 3 months)	5.00	-
-In fixed deposits (maturities more than 3 months)	888.88	782.48
Total	893.88	782.48

4.(b). (i) Fixed Deposit with bank under Lien

- Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
- Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. 50 Lakhs) against which Bank Guarantee is being given to NHB for loan.
- Fixed deposits of Rs. 31.88 Lakhs (P.Y. Rs. 31.88 Lakhs) against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
- Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. 30 Lakhs) against which Bank Guarantee is being given to DCB for loan.
- Fixed deposits of Rs. 510 Lakhs (P.Y. Rs. 568.60 Lakhs) against which Overdraft limit from AU Bank.
- Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from Federal Bank.
- Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from City Union Bank.
- Fixed deposits of Rs. 150 Lakhs (P.Y. Rs. 0 Lakhs) against Overdraft Facility from ICICI Bank.
- Fixed deposits of Rs. 20 Lakhs (P.Y. Rs. 0 Lakhs) against which Bank Guarantee is being given to Bandhan Bank.

5. Loans
At Amortised Cost

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Term Loans		
Housing loans	15,065.02	14,709.01
Loan Against Property	1,276.22	1,783.43
Loan Against Shares	-	-
Loan Against Gold Jewellery	11,569.16	8,596.83
Total Gross (A) (i)	27,910.40	25,089.27
Less: Impairment Loss Allowance	197.72	148.93
Total Net (A) (ii)	27,712.68	24,940.34
(B) (i) Secured by Tangible Assets	27,910.40	25,089.27
(ii) Secured by Intangible Assets	-	-
(ii) Unsecured	-	-
Total Gross (B) (i)	27,910.40	25,089.27
Less: Impairment Loss Allowance	197.72	148.93
Total Net (B) (ii)	27,712.68	24,940.34
(C) (i) Loans in India		
(i) Public Sector	-	-
(ii) Others	27,910.40	25,089.27
Total Gross (C) (i)	27,910.40	25,089.27
Less: Impairment Loss Allowance	197.72	148.93
Total Net (C) (ii)	27,712.68	24,940.34
(ii) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (iii)	-	-
Total Net (C) (ii) and (iii)	27,712.68	24,940.34

5.1 Loans granted to promoters, Directors, KMPS and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

6. Investments
In India (at FVTPL)

Particulars	As at March 31, 2024	As at March 31, 2023
In Mutual Funds*		
A. At Fair Value through profit and loss	-	100.00
Add: Fair Value Gains	-	0.50
Total Gross	-	100.50
B. Impairment Loss Allowance	-	-
C. Net (A)-(B)	-	100.50

6.1 Details of Investments are as follows:
Mutual Funds as on March 31st, 2024

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	-	-
Total	-	-

Mutual Funds as on March 31st, 2023

Particulars	Units (in Nos.)	Amount
SBI Multicap Fund	9,99,950	100.50
Total	9,99,950	100.50

7. Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit- Unsecured; Considered Good	46.50	37.00
Accrued interest	-	-
-on FD	35.82	47.58
-on others	1.21	2.29
Balances with Govt Authorities	0.20	10.89
Cash Collateral (Deposits)	35.63	58.13
Others	15.94	52.90
Total	135.30	208.79

8. Deferred tax assets/(liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance of Deferred Tax Asset	177.69	100.61
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	18.09	75.88
b. Changes in deferred tax recorded in other comprehensive Income	(0.21)	1.20
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	195.57	177.69

8.1 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.53	0.54
Disallowances u/s 40A of the Income Tax Act, 1961	2.24	4.08
Impairment on financial instruments	(0.17)	(23.02)
Depreciation and amortisation expenses	3.86	9.09
Financial Instrument (Loans) measured at EIR	7.57	99.86
Financial Instrument (Borrowings) measured at EIR	1.12	(19.55)
Lease Liability Impact	(1.53)	5.06
Special Reserve Created u/s 36(1)(VIII)	4.34	(0.79)
Unrealised net gain/loss on fair value changes	0.13	0.61
Others	-	-
Deferred Tax Assets	18.09	75.88

8.2 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	(0.21)	1.20
Deferred Tax Assets	(0.21)	1.20

8.3 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.


IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

9. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2024: (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at April 01, 2023	Addition	Deduction/Sale	As at March 31, 2024	As at April 01, 2023	For the Year March 31, 2024	As at March 31, 2024	As at March 31, 2023
A. Property, Plant and Equipment								
Furniture and fixtures	130.48	27.17	-	157.65	49.85	22.48	72.33	85.31
Vehicles	19.95	11.06	-	31.01	15.05	2.75	17.81	13.20
Office Equipments	79.54	8.81	-	88.35	42.28	14.97	57.25	31.11
Computers	95.12	7.37	-	102.49	71.55	17.38	88.88	23.57
Plant and Machinery	17.66	-	-	17.66	4.33	2.42	6.75	10.91
Sub Total	342.75	54.41	-	397.16	183.07	59.95	243.02	159.69
Previous Year	289.50	53.24	0.09	342.75	99.83	83.24	183.07	159.69
B. Right of use Assets								
Office Premises (Right of Use asset)	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03
Sub Total	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98
C. Intangible Assets								
Softwares	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90
Sub Total	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2023:

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at April 01, 2022	Addition	Deduction/Sale	As at March 31, 2023	As at April 01, 2022	For the Year March 31, 2023	As at March 31, 2023	As at March 31, 2022
A. Property, Plant and Equipment								
Furniture and fixtures	107.13	23.35	-	130.48	23.76	26.09	49.85	80.63
Vehicles	19.95	-	-	19.95	12.95	2.11	15.06	4.89
Office Equipments	63.59	16.04	0.09	79.54	22.26	20.02	37.27	41.34
Computers	85.16	9.96	-	95.12	39.09	32.46	71.55	23.57
Plant and Machinery	13.77	3.89	-	17.66	1.77	2.56	4.33	12.00
Sub Total	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69
Previous Year	106.17	184.48	1.05	289.60	44.07	55.77	99.83	183.78
B. Right of use Assets								
Office Premises (Right of Use asset)	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98
Sub Total	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98
Previous Year	146.42	671.44	-	817.86	32.34	78.51	110.85	707.01
C. Intangible Assets								
Softwares	130.57	49.50	-	180.06	56.04	31.69	87.73	74.52
Sub Total	130.57	49.50	-	180.06	56.04	31.69	87.73	74.52
Previous Year	111.38	19.19	-	130.57	30.43	25.61	56.04	74.53

Notes

9.1 All the above property, plant & equipment are owned by the company unless specified otherwise.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

10. Intangible assets under development

Particulars	As at March 31, 2024	As at March 31, 2023
Intangible assets under development (software)	-	-
Total	-	-

Intangible assets under development as on March 31, 2024

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

Intangible assets under development as on March 31, 2023

Intangible Assets Under Development	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
Software Development in progress	-	-	-	-
Software Development temporary suspended	-	-	-	-

11. Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Statutory Authorities	0.44	7.67
Prepaid expenses	27.83	21.63
Total	28.27	29.30

12. Borrowings (other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	5,139.02	5,175.65
- From Other Non-Banking Financial Companies	8,725.81	8,568.59
- From National Housing Bank	627.92	1,052.06
Overdraft:		
- From Banks	2,003.58	900.91
Total	16,496.33	15,697.21
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	1,745.64	1,250.00
Total	1,745.64	1,250.00
Out of Above:		
In India	18,241.97	16,947.21
Outside India	-	-

12.1 Nature of Security

- Term Loans from Banks are secured against hypothecation of present / future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.
- Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.
- The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present / future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.



- d Overdraft Facility from Federal Bank, CUB, CSB and SIB is against pledge of customers' gold with maximum margin of 25% and Overdraft facility from ICICI Bank is DLOD with security cover of 1.25 times maintained through receivables. Corporate guarantee of holding company and personal guarantee of MD/Directors is given in these Overdraft facilities. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank and Federal Bank and Rs 1.5 Crore with ICICI Bank. Further, OD with Bandhan Bank amounting to INR 1 crore is without any collateral or guarantee and was granted along with its Term Loan.
- e Quarterly Returns filed with NHB are in agreement with the books of accounts.
- f The company has duly filed Registration of charges and Satisfaction of charges with Registrar Of Companies.
- g The company has taken unsecured loan from a Non-Banking Financial Company which is repayable on demand.



IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

12.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2024

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,597.98	2,447.02	832.43	261.58	5,139.01
ROI 10.65%-15.00%					
From National Housing Bank (NHB)	254.49	204.73	102.64	66.06	627.92
ROI 8.25%-8.35%					
From Non-Banking Financial Companies	3,395.66	4,781.65	548.51	-	8,725.82
ROI 11.60%-14.50%					
Overdraft:					
From Banks	2,003.58	-	-	-	2,003.58
ROI 9.50%-12.10%					
Total Secured	7,251.71	7,433.40	1,483.58	327.64	16,496.33
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	1,745.64	-	-	1,745.64
ROI 12.00%					
Total Unsecured	-	1,745.64	-	-	1,745.64
Total	7,251.71	9,179.04	1,483.58	327.64	18,241.97
EIR Impact					150.92
Total					18,392.89

Terms of Repayment of Term Loans and Debentures as at March 31, 2023

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks	1,189.71	2,004.81	1,120.63	860.50	5,175.65
ROI 9.15%-14.00%					
From National Housing Bank (NHB)	254.49	403.79	101.77	292.01	1,052.06
ROI 6.55%-7.85%					
From Non-Banking Financial Companies	2,889.08	4,641.18	1,038.33	-	8,568.59
ROI 11.00%-14.00%					
Overdraft:					
From Banks	900.91	-	-	-	900.91
ROI 10.00%-10.75%					
Total Secured	5,234.19	7,049.78	2,260.73	1,152.51	15,697.21
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies	-	1,250.00	-	-	1,250.00
ROI 12.00%					
Total Unsecured	-	1,250.00	-	-	1,250.00
Total	5,234.19	8,299.78	2,260.73	1,152.51	16,947.21
EIR Impact					155.37
Total					17,102.58

12.3 The company has not been declared wilful defaulters by any bank or financial institution or other lenders.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

13. **Other financial liabilities** (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Accrued But Not Due on Borrowings	76.70	77.77
Lease liability* (Note 13.a)	712.28	741.36
Expenses payable	128.88	144.30
Payable to Statutory Authorities	36.45	38.51
Other Payables	5.74	51.83
Total	960.05	1,053.77

*Disclosed as required by Ind AS 116 - Leases as state below

a. Lease Liability Movement

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	741.36	728.33
<u>Add:</u>		
Addition during the year	101.55	105.76
Interest on lease liability	63.59	69.70
<u>Less:</u>		
Derecognised during the year	(44.59)	(12.59)
Lease Rental Payments	(149.63)	(149.84)
Balance as at the end of the year	712.28	741.36

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Less than One year	4.56	18.51
One to five Year	110.12	58.13
More than five Year	597.60	664.72
Total	712.28	741.36

14. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
-Gratuity	36.01	27.10
-Leave Encashment	6.66	4.57
Total	42.67	31.67

15. Other non financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Interest Received on Loans	1.70	1.70
Total	1.70	1.70

16. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	7,00,00,000	7,000.00	7,00,00,000	7,000.00
Issued, subscribed and fully paid-up shares	6,59,23,000	6,592.30	6,59,23,000	6,592.30

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	6,59,23,000	6,592.30	6,04,73,400	6,047.34
- Issued during the year (Right Issue)#	-	-	54,49,600	544.96
Total Outstanding at the end of the period	6,59,23,000	6,592.30	6,59,23,000	6,592.30



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	4,13,49,860	62.72%

16.4 Details of shareholders holding more than 5% shares in the Company: -

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	4,13,49,860	62.72%	4,13,49,860	62.72%
Mr. Gopal Bansal	73,93,460	11.22%	73,93,460	11.22%
Mrs. Sunita Bansal	69,42,410	10.53%	69,42,410	10.53%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16.5 Details of shareholding held by promoters in the Company: -

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	4,13,49,860	62.72%	4,13,49,860	62.72%
Mr. Gopal Bansal #	73,93,460	11.22%	73,93,460	11.22%
Ms. Sunita Bansal #	69,42,410	10.53%	69,42,410	10.53%
M/s Gopal Bansal (Huf) *	20,07,734	3.05%	20,07,734	3.05%
Mr. Virender Kumar Bansal *	19,07,361	2.89%	19,07,361	2.89%
Ms. Santosh Bansal *	19,07,361	2.89%	19,07,361	2.89%
Ms. Kriti Suri #	14,80,010	2.25%	14,80,010	2.25%
Mr. Ashish Bansal #	6,81,201	1.03%	6,81,201	1.03%
Ms. Nirmala Devi \$	6,81,201	1.03%	6,81,201	1.03%
Mr. Naresh Kumar Bansal \$	6,81,201	1.03%	6,81,201	1.03%
Ms. Charu Bansal \$	6,81,201	1.03%	6,81,201	1.03%
M/s Arvind Kumar Bansal (Huf) *	2,09,990	0.32%	2,09,990	0.32%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%

* Relatives of Promoter Mr. Gopal Bansal

having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.

\$ Relatives of Promoter Mr. Ashish Bansal

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

(Rs. in lakhs, except for share data and unless otherwise stated)

17. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Reserve		
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)		
Balance as per last financial statements	410.66	321.18
Add: Transferred during the year	243.03	89.48
Net Balance of Special Reserve	653.69	410.66
Securities Premium		
Opening balance	1,021.19	566.15
Add: addition/(deletion) during the year	-	455.04
Closing balance	1,021.19	1,021.19
Retained earnings		
Opening balance	1,467.26	1,109.35
Add: Profit/(loss) for the year	1,215.15	447.39
Less: Appropriation to Statutory reserve	(243.03)	(89.48)
Closing balance	2,439.38	1,467.26
Equity instruments through other comprehensive income		
Opening balance	(3.57)	-
Add: addition/(deletion) during the year	0.62	(3.57)
Closing balance	(2.95)	(3.57)
Total	4,111.31	2,895.54

17.1 Nature and Purpose of Reserves
a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income		
On financial assets measured at amortised cost		
- on loans	5,999.08	4,143.53
- Interest on Deposits with Banks	84.51	73.32
Total	6,083.59	4,216.85



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(Rs. in lakhs, except for share data and unless otherwise stated)

19. Fees and Commission Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fees and Other Charges	195.49	123.05
Total	195.49	123.05

20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated through profit & loss	11.97	53.70
	11.97	53.70
(B) Others	-	-
Net gain on fair value changes	11.97	24.47
<u>Fair Value Changes:</u>		
- Realised	11.97	53.20
- Unrealised	-	0.50
Net gain on fair value changes	11.97	53.70

21. Other Income From Operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Income From Operation	42.46	58.74
Total	42.46	58.74

22. Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Interest Income	3.38	26.87
Advertisement Income	34.05	88.26
Other Misc. Income	6.60	9.23
Total	44.03	124.36



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23. Finance costs (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
- Interest on borrowings		1,619.62
- Interest expense on lease liabilities	2,248.51	69.70
- Bank Charges	63.58	
Total	14.28	14.18
	2,326.37	1,703.50

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On Financials Instruments measured at amortised Cost		
- Loans		56.19
Total	48.79	56.19
	48.79	56.19

25. Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages		1,213.41
Contribution to Provident and Other Funds	1,263.02	
Staff Welfare Expenses	83.66	90.33
Other Benefits	23.81	22.41
Total	66.90	117.50
	1,437.39	1,443.65

26. Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advertisement expenses		16.21
Payments to Auditors	11.92	2.21
Insurance Expense	2.18	
- Car Insurance		0.02
- Office Insurance	0.16	
Commission expenses	29.59	27.42
Conveyance expenses	1.12	5.07
Communication Expense	122.12	75.44
Director's Sitting Fees	10.22	8.07
Documentation & stamp charges	1.72	1.66
Document Handling & Storage Expense	1.77	1.89
Donations	6.52	6.25
- for Corporate Social Responsibility		
Fee & subscriptions	15.01	11.50
Interest on government dues	33.80	31.09
Legal & technical charges	0.07	0.27
Branch opening expenses	41.60	71.92
Professional charges	-	0.02
Business Development Expenses	125.26	43.64
Debt Syndication Charges	72.89	
Printing & Stationery	20.00	
Power & Fuel	14.50	21.82
Postage & Courier	25.48	23.19
Rent expenses	7.95	11.41
Repair & Maintenance	50.77	40.97
- Office Repair & Maintenance		
- Vehicle Repair & Maintenance	41.11	8.83
- Computer Repair & Maintenance	0.63	0.72
Software expenses	0.17	1.12
Server Maintenance Charges	41.95	35.64
Tour & travelling expenses	6.97	7.02
Other expenses	2.99	7.63
Total	62.91	51.43
	751.38	512.46

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
- for statutory audit	1.36	1.36
- for tax audit	0.44	0.44
- for certification fees	0.38	0.41
Total	2.18	2.21



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(Rs. in lakhs, except for share data and unless otherwise stated)

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
For Corporate Social Responsibility	15.01	11.50
Total	15.01	11.50

26.2.1

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	12.01	11.50
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	-	-
d) Amount of Expenditure incurred during the year	-	-
e) Shortfall at the end of the year	15.01	11.50
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	-	-
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.

j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard

Nil Nil

k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.

Nil Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<u>Current tax</u>		
Adjustment in respect of current income tax of prior years	407.96	253.46
<u>Deferred Tax</u>		
Deferred Tax Charge	(18.09)	(75.87)
Adjustment in respect of prior Year	-	-
Income tax expense reported in Statement of Profit and Loss	389.87	177.59

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and year ended March 31, 2023 is, as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	1,605.02	624.99
At India's statutory income tax rate of 25.168% (2021: 25.168%)	403.96	157.31
<u>Reconciling Items</u>		
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	7.61	11.95
Corporate Social Responsibility and Others	8.33	8.33
Others	(30.03)	-
Income tax expense reported in the Statement of Profit and Loss	389.87	177.59

28. Earnings per Equity share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit attributable to ordinary equity holders	1,215.15	447.40
Weighted average number of equity shares for basic earnings per share	659.23	610.71
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	659.23	61.07
Earnings per equity share:		
Basic earnings per share (Rs.)	1.84	0.73
Diluted earnings per share (Rs.)	1.84	0.73



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024**29. Special reserve:**

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 30.25 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 212.78 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:**(i) Defined Contribution Plan:**

- a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 58.99 Lakhs (March 31, 2023: Rs. 64.44 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.
- b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 12.96 lakhs (March 31, 2023: Rs. 14.40 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

- a. **Gratuity (unfunded):** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net Liability/(assets) recognised in the Balance Sheet

Particular	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end	36.01	27.09

Net benefit expense recognised in Statement of Profit and Loss

Particular	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Service Cost	9.67	10.75
Net Interest Cost	1.99	0.67
Total expense recognised in the employee benefit expense	11.66	11.42

Details of changes in present value of defined benefit obligations as follows:

Particular	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at the beginning of the year	27.09	10.91
Service cost	9.67	10.75
Net Interest Cost	1.99	0.67
Re-measurements	(0.82)	4.76



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Benefit paid	(1.92)	0
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	36.01	27.09

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particular	As at March 31, 2024	As at March 31, 2023
i) Discount rate	7.18%	7.36%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100.00%

Notes:

- The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
 - Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.
 - The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.
- b. Leave Encashment:** The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 6.66 Lakhs.

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	217.74	-	217.74	437.91	-	437.91
(b) Bank Balance other Cash and cash equivalents	680.75	213.13	893.88	628.98	153.50	782.48
(c) Loans*	14,291.91	13,420.77	27,712.68	10,569.42	14,370.92	24,940.34
(d) Investments	-	-	-	100.50	-	100.50
(e) Other financial assets	60.90	74.40	135.30	113.67	95.12	208.79
Total Financial assets	15,251.29	13,708.31	28,959.60	11,850.48	14,619.54	26,470.02
Non-financial assets						
(a) Deferred tax assets (net)	-	195.57	195.57	-	177.69	177.69



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(b) Property, plant and equipment	-	154.14	154.14	-	159.69	159.69
(c) Right to use Asset	-	621.03	621.03	16.91	633.07	679.98
(d) Intangible assets under development	-	-	-	-	-	-
(e) Other intangible assets	-	92.90	92.90	-	92.33	92.33
(f) Other non-financial assets	0.44	27.83	28.27	29.30	-	29.30
Total Non-financial assets	0.44	1,091.47	1,091.91	46.21	1,092.78	1,139.99
Total Assets	15,251.73	14,799.78	30,051.51	11,896.69	15,712.32	27,609.01

*Provision is netting off based upon maturity date of loans.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Borrowings (other than debt securities)	7,251.71	10,990.26	18,241.97	5,234.19	11,713.02	16,947.21
(c) Other financial liabilities	247.77	712.28	9,60.05	330.92	722.85	1,053.77
Total Financial liabilities	7,499.48	11,702.54	19,202.02	5,565.11	12,435.87	18,000.98
Non-financial liabilities						
(a) Current tax liabilities (net)	101.51	-	101.51	86.82	-	86.82
(b) Provisions	6.66	36.01	42.67	4.57	27.10	31.67
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non financial liabilities	-	1.70	1.70	-	1.70	1.70
Total Non-financial liabilities	108.17	37.71	145.88	91.39	28.80	120.19
(a) Equity share capital	-	6,592.30	6,592.30	-	6,592.30	6,592.30
(b) Other equity	-	4,111.31	4,111.31	-	2,895.54	2,895.54
Total Equity	-	10,703.61	10,703.61	-	9,487.84	9,487.84



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Total Liabilities and Equity	7,607.65	22,443.86	30,051.51	5,656.50	21,952.51	27,609.01
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32. Contingent liabilities and commitments:

(Rs. in lakhs)

S. No.	Particular	As at March 31, 2024	As at March 31, 2023
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	128.59	992.21
	-Towards sanction pending disbursement	56.82	164.29
	-Towards part disbursement	71.77	827.92
(V)	Pending capital commitment	-	-

33. Capital**Capital Management**

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

(Rs. in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I capital	9794.11	8,537.84
Tier II capital	1823.91	66.83
Total capital (Tier I + Tier II)	11,618.02	8,604.67
Adjusted value of funded risk assets i.e. On Balance Sheet Item	18,420.85	15,790.31
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	64.29	496.10
Total Risk weighted assets	18,485.15	16,286.42
Tier I capital ratio	52.98%	52.42%
Tier II capital ratio	9.87%	0.41%
Total capital ratio	62.85%	52.83%

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.



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The Company determines fair values of its financial instruments according to the following hierarchy:

- Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
- Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2023 is as follows:

(Rs. in lakhs)

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	100.50	-	-	100.50

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Investments at fair value through profit or loss : For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2024	AS AT MARCH 31, 2023	AS AT MARCH 31, 2024	AS AT MARCH 31, 2023
Financial assets					
Cash and cash equivalents	1	217.74	437.91	217.74	437.91
Bank Balance other Cash and cash equivalents	1	893.88	782.48	893.88	782.48
Loans	3	27,712.68	24,940.34	27,712.68	24,940.34
Other financial assets	3	135.30	208.79	135.30	208.79
Financial assets		28,959.60	26,369.52	28,959.60	26,369.52
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-



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(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	-	-	-	-
Borrowings (other than debt securities)	3	18,241.97	16,947.21	18,241.97	16,947.21
Other financial liabilities	3	960.05	1,053.77	960.05	1,053.77
Financial liabilities		19,202.02	18,000.98	19,202.02	18,000.98

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

- Identifying the various risks associated with the activities of the Company and assessing their impact on the business.
- Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.



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The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at March 31, 2024:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	23,238.89	4,356.59	314.92
Allowance for ECL	78.27	20.87	98.58
ECL Coverage Ratio (%)	0.34%	0.48%	31.30%

As at March 31, 2023:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	20,272.88	4,567.23	249.16
Allowance for ECL	66.83	27.06	55.05
ECL Coverage Ratio (%)	0.33%	0.59%	22.09%

Movement of impairment loss allowance

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2023	66.83	27.06	55.05
New Addition/Reduction during the year	11.44	(6.19)	43.53
Impairment Loss Allowance as at March 31, 2024	78.27	20.87	98.58

Collateral valuation

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.



IFL HOUSING FINANCE LIMITED

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024**Asset liability management (ALM)**

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	217.74	-	-	-	-	-	-	-	217.74
Bank Balance other than Cash and cash equivalents	-	5.00	-	119.13	556.63	213.13	-	-	893.88
Loans	873.37	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	2.69	0.91	3.38	37.66	16.26	27.90	-	46.50	135.30
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	424.57	436.75	439.29	1,425.62	4,525.48	9,179.04	1,483.58	327.64	18,241.97
Other financial liabilities	235.60	2.23	-	9.94	-	-	-	712.28	960.05



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The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	437.91	-	-	-	-	-	-	-	437.91
Bank Balance other than Cash and cash equivalents	-	-	-	14.75	614.23	149.75	3.75	-	782.48
Loans	437.99	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,808.94	24,940.34
Investments	-	100.50	-	-	-	-	-	-	100.50
Other financial assets	12.06	-	-	13.04	105.38	35.46	5.85	37.00	208.79
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	338.56	331.65	333.41	1,094.77	3,135.80	8,299.78	2,260.73	1,152.51	16,947.21
Other financial liabilities	276.81	-	-	29.76	24.26	22.21	35.97	664.76	1,053.77



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024**C. Market risk**

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)

Impact on Profit Before Taxes	As at March 31, 2024	As at March 31, 2023
On Floating Rate Borrowings		
1% increase in interest rate	172.38	143.54
1% decrease in interest rate	(172.38)	(143.54)
On Floating Rate Loans and Advances		
1% increase in interest rate	15.96	20.17
1% decrease in interest rate	(15.96)	(20.17)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.



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36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024**37. Related parties:**

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Ms. Sunita Bansal (Whole Time Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Perna Matta Arora (CFO) Ms. Varsha Bharti (Company Secretary)* Mr. Vijay Kumar Dwivedi (Company Secretary)** Mr. Somesh Tewari (CEO)***
(iii)	Relatives of Key Management Personnel	Ms. Charu Bansal Ms. Ganga Devi Bansal
(iv)	Other Related Parties	Daisy Distributors Private Limited Gopal Bansal HUF

* appointed w.e.f 12.10.2023

** resigned w.e.f 11.10.2023

*** resigned w.e.f 16.09.2023

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure": -
(Rs. in lakhs)

S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2024	31/03/2023	31/03/2024	31/03/2023
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	20.51	17.61	NIL	1.50
		Allotment of Equity share	NIL	368.00	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	11.72	8.81	0.90	0.75
		Allotment of Equity share	NIL	131.99	NIL	NIL
	Ms. Kriti Suri	Salary and Conveyance	9.37	8.79	0.78	0.75
	Ms. Ashish Bansal	Director remuneration	14.65	11.74	1.09	NIL
	Ms. Perna Matta Arora	Salary	19.64	6.40	2.04	1.35
	Ms. Gunjan Jain Jindal	Salary	NIL	6.33	NIL	NIL



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

	Mr. Somesh Tewari	Salary	31.42	4.03	NIL	4.03
	Ms. Varsha Bharti	Salary	5.39	NIL	0.85	NIL
	Mr. Vijay Kr. Dwivedi	Salary	5.33	8.50	NIL	0.78
(iii)	<u>Relatives of Key Management Personnel: -</u>					
	Ganga Devi Bansal	Advance given	27.00	NIL	NIL	NIL
		Advance received back	27.00	NIL	NIL	NIL
		Interest received	0.19	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	NIL	1.44	NIL
	India Finsec Limited	Allotment of Equity shares	NIL	300.00	NIL	NIL
	India Finsec Limited	Commission paid for Bank guarantee	10.00	Nil	Nil	Nil
(iv)	<u>Other Related parties: -</u>					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

38. Segment reporting:

The Company's main business is to provide loans for purchase, construction, repairs and renovation etc. of residential house, Loan against property and lending against collateral of gold jewellery. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2024	For the Year 31.03.2023	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	62.85%	52.83%	10.02%	Due to increase in Tier II Capital
(b) Tier I CRAR	Tier I Capital		52.98%	52.42%	0.56%	
(c) Tier II CRAR	Tier II Capital		9.87%	0.41%	9.46%	Inclusion of Subordinated Debt
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	The company's Inflows are more than outflows in the next 30 days, thus not applicable.			

40. During the financial year ended March 31, 2024, the company has not reclassified the comparative figures.

41. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

42. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2022-23.

43. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial Instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	23,238.89	78.27	23,160.62	78.27	-
	Stage 2	4,356.59	20.87	4,335.72	12.02	8.85
Sub Total		27,595.48	99.14	27,496.34	90.29	8.85
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	157.49	31.45	126.04	24.55	6.90
Doubtful- upto 1 Year	Stage 3	112.64	36.55	76.09	28.79	7.76
1 to 3 Year	Stage 3	33.42	19.21	14.21	13.52	5.69
More than 3 Years	Stage 3	-	-	-	-	-
Sub Total for Doubtful		146.05	55.76	90.30	42.30	13.45
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		314.92	98.58	216.34	78.23	20.35
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
	Stage 1	23,238.89	78.27	23,160.62	78.27	-
	Stage 2	4,356.59	20.87	4,335.72	12.02	8.85
	Stage 3	314.92	98.58	216.34	78.23	20.35
Total		27,910.40	197.72	27,712.68	168.52	29.20



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(Rs. in lakhs, except for share data and unless otherwise stated)

44. Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

Particulars	As at March 31, 2024	
	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	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits*)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	18,318.67	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
Asset side		
Amount Outstanding as at March 31, 2024		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		27,910.40
(b) Unsecured		-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease		-
(b) Operating Lease		-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		-
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
b. Unquoted		
(i) Shares		-
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
Long Term Investments		



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a. Quoted		(Rs. in lakhs, except for share data and unless otherwise stated)		
(i) Shares				
(a) Equity				
(b) Preference				
(ii) Debentures and Bonds				-
(iii) Units of Mutual Funds				-
(iv) Government Securities				-
(v) Others				-
b. Unquoted				-
(i) Shares				-
(a) Equity				-
(b) Preference				-
(ii) Debentures and Bonds				-
(iii) Units of Mutual Funds				-
(iv) Government Securities				-
(v) Others				-
6. Borrower group-wise classification of assets financed as in (3) and (4) above:				
(Please see Note 2 below)				
Category		Amount Net of Provision as at March 31, 2024		
		Secured	Unsecured	Total
1. Related Parties				
(a) Subsidiaries		-	-	-
(b) Companies in the same group		-	-	-
(b) Other Related Parties		-	-	-
2. Other than Related Parties		-	-	-
Total		27,712.68	-	27,712.68
		27,712.68	-	27,712.68
7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
(Please see Note 3 below)				
Category		Amount Net of Provision as at March 31, 2024		
		Secured	Unsecured	Total
1. Related Parties				
(a) Subsidiaries		-	-	-
(b) Companies in the same group		-	-	-
(b) Other Related Parties		-	-	-
2. Other than Related Parties		-	-	-
Total		-	-	-
		-	-	-
** As per notified Accounting Standard (Please see Note 3)				
		-	-	-
8. Other Information				
Particulars		Amount as at March 31, 2024		
(i) Gross Non-Performing Assets				
(a) Related Parties				
(b) Other Than Related Parties				-
(ii) Net Non-Performing Assets				314.92
(a) Related Parties				
(b) Other Than Related Parties				-
(iii) Asset acquired in satisfaction of Debt				216.34
Notes:				-
a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.				
b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.				
c. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.				



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(Rs. in lakhs, except for share data and unless otherwise stated)

45. Additional Disclosures In Terms of NHB Guidelines
45.1 Principal Business Criteria:

45.1.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. As per para 5.3 of Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, out of the Company's total assets (netted off by intangible assets) as on 31st March 2024, not less than 60% should be by way of housing finance and not less than 50% should be by way of housing finance to individuals.

b. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 51.70% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) as on 31 March 2024 (Previous Year was 55.17%). Out of the total assets (netted off by intangible), 51.70% is by way of housing finance for individuals (Previous Year was 55.17%). Therefore, PBC criteria as mentioned in point (a) above was not met as on 31 March 2024

45.2 Capital to Risk Assets Ratio (CHAR):

Particulars	As at March 31, 2024	As at March 31, 2023
(i) CRAR (%)		
(ii) CRAR-Tier I Capital (%)	62.85%	52.83%
(iii) CRAR-Tier II Capital (%)	52.98%	52.42%
Amount of subordinated debt raised as Tier-II Capital	9.87%	41.00%
Amount raised by issue of Perpetual Debt Instruments	-	-

45.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	124.64	82.65
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act, 1987	286.02	238.53
c) Total	410.66	321.18

Addition/Appropriation/Withdrawal during the year

Add:

a) Amount transferred u/s 29C of the NHB Act, 1987

Current Year

Previous Year Short Created

b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987

Less:

a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987

b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987

Balance at the end of the year

a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	337.42	124.64
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987	316.27	286.02
c) Total	653.69	410.66

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

45.4 Investments (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Value of Investments		
(i) Gross value of investments		
(a) In India	-	-
(b) Outside India	-	100.50
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	-	-
(b) Outside India	-	100.50
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

45.5 Derivatives

45.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The notional principal of swap agreements	Not Applicable	Not Applicable
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps \$	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

45.5.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

45.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence Clause 51.5.3 is not Applicable

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IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024
B. Quantitative Disclosure

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

45.6 Securitisation

Particulars	As at March 31, 2024	As at March 31, 2023
45.6.1		
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	Not Applicable
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	Not Applicable
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
(i) Off-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
(ii) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	Not Applicable
(i) Off-balance sheet exposures towards credit Enhancements	Not Applicable	Not Applicable
a) Exposure to own securitisations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable
(ii) On-balance sheet exposures towards credit enhancements	Not Applicable	Not Applicable
a) Exposure to own securitisations	Not Applicable	Not Applicable
b) Exposure to third party securitisations	Not Applicable	Not Applicable

* Only the SPVs relating to outstanding securitisation transactions may be reported here

45.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	As at March 31, 2024	As at March 31, 2023
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.3 Details of Assignment transactions undertaken by HFCs

Particulars	As at March 31, 2024	As at March 31, 2023
(i) No. of accounts	Not Applicable	Not Applicable
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable
(iii) Aggregate consideration	Not Applicable	Not Applicable
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable
(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable

45.6.4 Details of non-performing financial assets purchased / sold
A. Details of non-performing financial assets purchased:

Particulars	As at March 31, 2024	As at March 31, 2023
1. (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Particulars	As at March 31, 2024	As at March 31, 2023
1. No. of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-



IFL HOUSING FINANCE LIMITED
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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

45.7 Asset Liability Management:

(Rs. in lakhs, except for share data and unless otherwise stated)

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	133.56	131.85	402.50	794.55	2447.02	832.43	261.58	5139.01
Borrowings from Bank	38.19	0.00	95.30	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
- FI	325.65	26.40	139.01	308.17	305.43	938.29	1,557.69	6,527.29	548.51	-	10471.46
Overdraft From Banks	-	-	-	-	-	84.83	166.66	204.73	102.64	66.05	627.92
Foreign Currency Liabilities	-	-	-	-	-	-	2,003.58	-	-	-	2003.58
Assets											
Advances	112.95	534.52	225.30	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,136.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Total											

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2023

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	232.50	234.35	711.12	1,469.90	5,891.18	1,038.33	800.50	5,175.65
Borrowings from Bank	-	-	-	-	-	84.83	159.66	403.79	101.77	292.01	9,618.59
Market Borrowings	10.30	-	-	-	-	-	900.91	-	-	-	1,052.06
- FI	83.93	23.37	132.50	232.50	234.35	711.12	1,469.90	5,891.18	1,038.33	800.50	9,618.59
Overdraft From Banks	-	-	-	-	-	84.83	159.66	403.79	101.77	292.01	1,052.06
Foreign Currency Liabilities	-	-	-	-	-	-	900.91	-	-	-	900.91
Assets											
Advances	66.25	210.84	160.90	503.02	449.97	1,697.62	7,480.82	5,271.88	5,290.10	3,806.94	24,940.34
Investments	-	-	-	100.50	-	-	-	-	-	-	100.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Total											



IFL HOUSING FINANCE LIMITED

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

45.8 Exposure (Rs. in lakhs, except for share data and unless otherwise stated)

45.8.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2024	As at March 31, 2023
Category		
A) Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	16,304.54	16,437.16
(ii) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	14,511.29	13,857.38
(iii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.), Exposure would also include non-fund based (NFB) limits;	36.71	55.28
(iv) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	16,341.25	16,492.44

45.8.2 Exposure to Capital Market

Particulars	As at March 31, 2024	As at March 31, 2023
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	100.50
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	100.50



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

- 45.8.3 Details of financing of parent company products**
No financing of parent company products is done.

(Rs. in lakhs, except for share data and unless otherwise stated)

- 45.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC**
The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

45.8.5 Unsecured Advances

- The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.
- a. The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.

45.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

46. Miscellaneous**46.1 Registration obtained from other financial sector regulators**

- Registration of the Company as LEI (Legal Entity Identifier) as required by RBI vide LEI no. 335800CZXHLC3EYIO948 valid till 17th August 2024.
- The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 2016

46.2 Disclosure of Penalties imposed by NHB and other regulators

- i) There is no penalty imposed by NHB or other regulator during FY 2023-24.
- ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(r), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(i) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

46.3 Related party Transactions

Detailed information furnished under Note No. 37

46.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report.

46.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	CRISIL Ratings Limited	CRISIL BBB-/Stable	10th August 2023	09th August 2024
Long Term Bank Facilities	Informers Valuation and Rating Pvt. Ltd.	IVR BBB-/Stable	11th August 2022	10th August 2023

46.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

46.7 Management

As provided in Board of Directors' Report.

46.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2024
Net Profit for the period (before tax)	
Prior Period Items	1,605.02
Changes in Accounting Policies	-
	Nil

46.9 Revenue Recognition

There is no deferment of revenue recognition.

46.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

- 46.11** The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

47. Additional Disclosures (Rs. in lakhs, except for share data and unless otherwise stated)

47.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	-	-
3. Provision towards NPA	407.96	253.46
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	98.58	55.05
5. Provision for Sub-standard assets	99.14	93.88
6. Provision for Doubtful assets	31.45	31.43
7. Provision for Loss Assets*	55.76	12.24
8. Provision for Employee Benefits	11.38	11.38
9. Other Provision and Contingencies (with details)	42.67	31.66
* Loss Assets due to identification of fraud during the FY 21-22.	-	-

Break up of Loan & Advances and Provisions thereon

	As at March 31, 2024		As at March 31, 2023	
	Housing Loan	Non-Housing Loan	Housing Loan	Non-Housing Loan
Standard Assets				
a) Total Outstanding Amount	14,793.09	12,802.39	14,496.14	10,343.97
b) Provisions made	46.73	52.40	50.21	43.67
Sub-Standard Assets				
a) Total Outstanding Amount	142.42	15.08	174.99	22.15
b) Provisions made	28.45	3.00	27.88	3.55
Doubtful Assets - Category-I				
a) Total Outstanding Amount	96.95	15.68	15.80	13.54
b) Provisions made	31.44	5.11	4.10	3.56
Doubtful Assets - Category-II				
a) Total Outstanding Amount	21.49	11.93	11.00	0.30
b) Provisions made	12.24	6.97	4.46	0.12
Doubtful Assets - Category-III				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

47.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

47.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2023	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2024
Taxation (Current Tax)	253.46	407.96	253.46	407.96
Standard Assets	93.88	99.14	93.88	99.14
Sub-Standard Asset	31.43	15.84	15.82	31.45
Doubtful Asset	12.24	48.04	4.52	55.76
Loss Asset	11.38	-	-	11.38
Employee Benefits	31.66	11.01	-	42.67

47.2 Draw Down from Reserves

Company has not drawn any amount from reserves.

47.3 Concentration of Public Deposits, Advances, Exposures and NPAs

47.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

47.3.2 Concentration of Loans & Advances (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans & advances to twenty largest borrowers		
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	583.88	587.08
Note:	2.09%	2.34%

Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding. Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

47.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to twenty largest borrowers/customers		
Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	583.88	587.08
Note:	2.08%	2.25%

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

47.3.4 Concentration of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to top ten NPA accounts		
Total exposure to NPA accounts	125.70	122.16
	314.92	249.16

47.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2024	As at March 31, 2023
A. Housing Loans:		
1. Individuals		
2. Builders/Project Loans	1.81%	1.47%
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals		
2. Builders/Project Loans	3.37%	2.08%
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals		
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals		
2. Builders/Project Loans	0.00%	0.00%
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

47.4 Movement of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Net NPAs to Net Advances (%)		
(ii) Movement of NPAs (Gross)	0.78%	0.78%
a) Opening balance		
b) Additions during the year	249.16	187.64
c) Reductions during the year	186.67	430.31
d) Closing balance	120.91	368.80
(iii) Movement of Net NPAs	314.92	249.16
a) Opening balance		
b) Additions during the year	194.11	147.27
c) Reductions during the year	122.80	362.62
d) Closing balance	100.57	315.78
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)	216.34	194.11
a) Opening balance		
b) Provisions made during the year	55.05	40.37
c) Write-off/write-back of excess provisions	63.87	67.69
d) Closing balance	20.34	53.02
	98.58	55.05



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

47.5 Overseas Assets (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Overseas Assets	-	-

47.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	Domestic	Overseas
	Not Applicable	Not Applicable

47.7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Loan Outstanding against Collateral of Gold Jewellery	-	-
Gross Total Loans Outstanding	11,569.16	8,596.83
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	27,910.40	25,089.27
	41.45%	34.26%

48. Disclosure of Complaints

Customers Complaints

Particulars	As at March 31, 2024	As at March 31, 2023
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	1	-
c) No. of complaints redressed during the year	3	4
d) No. of complaints pending at the end of the year	4	3
	-	1

49. Fraud Cases

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	2	19.08	1	11.38
Additional Loan Accounts detected as Fraud during the Year	1	7.00	1	9.30
Amount Recovered during the year	2	14.70	-	1.60
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	1	11.38	2	19.08
Provision Created	-	11.38	-	11.38

50. Disclosure in pursuant to Guidelines for Entry of Housing Finance Companies into Insurance Business:
50.1 The Company is not engaged in the business of Insurance Agency.

51. During the year:

- 51.1 The company has taken an unsecured loan from a Non-Banking Financial Company which is repayable on demand.
51.2 No prior period items occurred which has impact on profit and loss account.
51.3 No change in any accounting policy.
51.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.
51.5 There was no withdrawal from Reserve fund.
51.6 Company has not accepted public deposits.
51.7 The company do not have an exposure to teaser rate loans.

52. There have been no events after the reporting date that requires disclosure in these financial statements.

53. The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2024

54. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

55. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N



CA. Varun Garg
Partner

Membership No. 523588

UDIN: 24523588BKGYWJ4U96

New Delhi, the 28th day of May, 2024

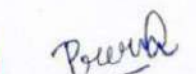
For and on behalf of the Board of Directors of
IFL HOUSING FINANCE LIMITED



Gopal Bansal
Managing Director
DIN: 01246420



Sunita Bansal
Director
DIN: 02801660



Purna Matta Arora
CFO
PAN: BAMPM7263C



Varsha Bharti
Company Secretary
PAN: AROPB3152H



INDEPENDENT AUDITOR'S REPORT

To the Members of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)**

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the accompanying financial statements of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)** ("the Company"), which comprise the balance sheet as at 31st March 2025, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the **profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

1. Attention is drawn to Note No 41 "The Company has passed a resolution in the board meeting dated 20 May 2024 to discontinue being housing finance company and to convert it into a NBFC and to file applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

Our report is not qualified in respect of above matter.





Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

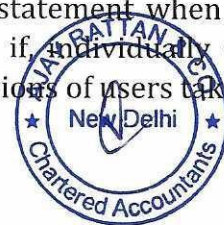
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

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





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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. We conclude that there is no material uncertainty, thereby we are not required to draw attention in our auditor's report to the related disclosures in the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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





Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(2) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the





AJAY RATTAN & CO.

CHARTERED ACCOUNTANTS

company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v) The Company has not declared or paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the financial year ended March 31, 2025 is as follows:

- Based on our examination, which included test checks, the company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software systems. Further, during the course of audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for the record retention.

- h) The matter described in the Emphasis of matter paragraph above, in our opinion may not have an adverse effect on functioning of the company.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to documents provided to us, the remuneration paid to the Managing Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013.

**For Ajay Rattan & Co.
Chartered Accountants**

Firm Registration No. 012063N

**CA. Varun Garg
Partner**

Membership No. 523588

UDIN: 25523588BMJMMR9556



Place: New Delhi

Dated: 22 MAY 2025



“Annexure A” to the Independent Auditor’s Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2025:

We report that:

1) Property Plant and Equipment and Intangible Assets

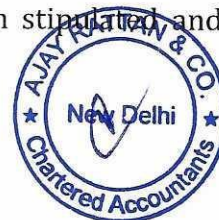
- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The company is maintaining proper records showing full particulars of intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of company;
- e) the company has not revalued its Property, Plant and Equipment (including Right to Use assets) or intangible assets or both during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

- a) The company does not have any inventory and hence reporting under clause (ii) paragraph 3 of the order is not applicable.
- b) The company has not been sanctioned working capital limits on the basis of security of current assets.

3) Investments, Guarantee/Security, Loan and Advance

- a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has not made any investment during the year and hence the terms and conditions are not prejudicial to the company’s interest.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;





- d) The total amount overdue for more than ninety days is Rs. 221.97 lakhs and in our opinion, reasonable steps have been taken by the company for recovery of the principal and interest;
- e) The principal business of the company is to give loans; thus clause(iii)(e) is not applicable to the company.
- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4) Compliance of Provisions of Section 185 and 186.

In our opinion and according to the information and explanation given to us, the company has not given loans, investments, guarantees, and securities covered under section 185 and 186 of the Companies Act, 2013.

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

According to the information and explanation given to us, the government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the services of the company.

7) Statutory Dues

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues on account of income tax or goods and services tax, which have not been deposited on account of any dispute.





8) Unrecorded Income

Based upon the audit procedures performed and the information and the explanations given by the management, there are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) Repayment Of Dues

Based upon the audit procedures performed and according to information and explanations given to us:

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit, hence the provisions of clause 3(ix)(a) of the Order are not applicable to the Company and hence not commented upon;
- b) The company has not been declared a willful defaulter by any bank or financial institution or other lender, hence the provisions of clause 3(ix)(b) of the Order are not applicable to the Company and hence not commented upon;
- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) Short-term loans raised by the company have not been utilized for long-term purposes.
- e) The company does not have any subsidiaries, associates or joint ventures, hence the provisions of clause 3(ix)(e) of the Order are not applicable to the Company and hence not commented upon;
- f) The Company does not have any subsidiary or joint venture, hence the provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.

10) Application Of Money Raised by Public Issue and Preferential Allotment

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

Based upon the audit procedures performed and the information and explanations given by the management:

- a) No fraud on or by the company has been noticed or reported during the year.
- b) no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been received during the year by the company.





12) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13) Transaction With Related Parties

In our opinion, all the transactions with related parties are in accordance with section 177 and 188 of the Companies Act, 2013 and the details have been properly disclosed in financial statements as required by applicable accounting standards.

14) Internal Audit System

- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

15) Non-Cash Transaction with Director

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16) Registration With RBI

- a) In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The company has made an application to the RBI for registration as NBFC. However till 31 March 2025 the registration certificate was awaited.
- b) The company has not conducted any NBFC or HFC activities without a valid certificate of registration.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) The Group does not have any CIC as part of the Group.

Read the above points 16 (a) with note no 41 of Notes to financial statements.

17) Cash Losses

The company has not incurred any cash loss in the financial year and in the immediately preceding financial year being audited.





18) Considerations of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditors during the year.

19) Existence Of Material Uncertainty as To Company Ability to Meet Its Liabilities

As per our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date

20) Transfer Of Unspent CSR Amount

There is no unspent amount as specified in Schedule VII to the Companies Act and hence, no comment is required under Clause 3(xx)(a) & (b) of the Order;

21) Qualifications Or Adverse Remarks in Caro Reports of Group Companies

This clause shall be dealt with in the consolidated auditor's report.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N



CA. Varun Garg
Partner
Membership No. 090975
UDIN: 255 235 88 BMJHMR 9556

Place: New Delhi
Dated: 22 MAY 2025



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **IFL Finance Limited (Formerly known as IFL Housing Finance Limited)** ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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





Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N

CA. Varun Garg
Partner

Membership No. 523588

UDIN: 25523588BMJMMR9556



Place: New Delhi

Dated: 22 MAY 2025

IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

1. Corporate Information:

IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED) (being subsidiary of listed company, India Finsec Limited) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 2013. Initially focused on Home Loans and Loan against Property (LAP), the company expanded its portfolio in December 2020 to include Gold Loans. Gold Loan product, being a safe, liquid and highly marketable product, has promising prospects and thus since April 2024, the company has realigned its focus to concentrate predominantly on the gold loan business. The Company is registered under the provisions of Section 29A of The National Housing Bank Act, 1987.

The Company is having its registered and corporate office in Delhi and its branches in the states/UT of Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana.

2. Basis of preparation and presentation:

(a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies act, 2013 (the "Act") along with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (hereinafter referred to as "Master Direction") and guidelines and directions issued by National Housing bank ("NHB") to the extent applicable. These financial statements are duly approved by the Board of Directors on 22nd May 2025.

(b) Presentation of financial statements:

- (i) Financial Statements have been prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". All values in the financial statements are rounded to nearest lakhs except for shares data and unless otherwise stated.
- (ii) The Financial statements are prepared on a Going Concern basis as the management is satisfied that the company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.
- (iii) The Financial Statements have been prepared on a historical cost basis and on accrual basis, except for Certain Financial Assets and Liabilities which are measured at amortised value or fair value mentioned specifically.

(c) Critical accounting estimates:

The preparation of the Company's financial statements requires the Management to make use of estimates and judgements. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgements are used in various line items in the financial statements for e.g.

- Fair value of financial instruments (Refer note no. 3F)
- Effective interest rate (EIR) [Refer note no. 3F]
- Impairment of financial assets [Refer note no. 3F]
- Provisions and contingent liabilities (Refer note no. 3I)
- Provision for tax expenses (Refer 3G)



IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

BALANCE SHEET AS AT MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr.	Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS				
I	Financial assets			
	(a) Cash and cash equivalents	4a	1,135.59	217.74
	(b) Bank Balance other than Cash and cash equivalents	4b	393.88	893.88
	(c) Loans	5	32,981.60	27,712.68
	(d) Investments		-	-
	(e) Other financial assets	6	212.13	135.30
	Total Financial assets		34,723.20	28,959.60
II	Non-financial assets			
	(a) Deferred tax assets (net)	7	150.75	195.57
	(b) Property, plant and equipment	8	192.99	154.14
	(c) Right to use Asset	8	865.77	621.03
	(d) Investment Property	8	118.56	-
	(e) Intangible assets under development		-	-
	(f) Other intangible assets	8	97.47	92.90
	(g) Other non-financial assets	9	36.98	28.27
	Total Non-financial assets		1,462.52	1,091.92
	Total Assets		36,185.72	30,051.51
LIABILITIES AND EQUITY				
LIABILITIES				
I	Financial liabilities			
	(a) Payables			
	Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(b) Borrowings (other than debt securities)	10	18,779.62	18,241.97
	(c) Lease Liability	11	993.09	712.28
	(d) Other financial liabilities	12	268.49	247.77
	Total Financial liabilities		20,041.20	19,202.02
II	Non-financial liabilities			
	(a) Current tax liabilities (net)	13	95.85	101.51
	(b) Provisions	14	64.49	42.67
	(c) Deferred Tax Liabilities (Net)		-	-
	(d) Other non financial liabilities	15	9.88	1.70
	Total Non-financial liabilities		170.22	145.89
EQUITY				
	(a) Equity share capital	16	8,475.82	6,592.30
	(b) Other equity	17	7,498.48	4,111.31
	Total Equity		15,974.30	10,703.61
	Total Liabilities and Equity		36,185.72	30,051.51

Notes to the Ind AS financial statements

1-58

The accompanying notes form an integral part of the Ind AS financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 0120630

CA Varun Garg

Partner

Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMTMMR9556



For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Sunita Bansal
Director
DIN: 02801660

Prerna
Prerna Matta Arora
CFO
PAN: BAMP7263C

Shivani Jindal
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Sr.	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
	Revenue from operations			
(i)	Interest Income	18	6,850.86	6,083.59
(ii)	Fees and Commission Income	19	213.15	195.49
(iv)	Net Gain on Fair Value Changes	20	-	11.97
(iii)	Other Income From Operations	21	47.17	42.46
I	Total Revenue From Operations		7,111.18	6,333.51
II	Other Income	22	25.90	44.03
III	Total Income (I+II)		7,137.08	6,377.54
	Expenses			
	Finance costs	23	2,532.85	2,326.37
	Impairment on Financial Instruments	24	-	48.79
	Employee benefits expenses	25	1,337.30	1,437.39
	Depreciation and amortisation expenses	8	257.74	208.58
	Other expenses	26	617.28	751.38
IV	Total Expenses		4,745.17	4,772.51
V	Profit/ (loss) before exceptional items and tax (III-IV)		2,391.91	1,605.02
VI	Exceptional items		-	-
VII	Profit/ (loss) before tax		2,391.91	1,605.02
VIII	Less: Tax expense			
	Current tax	27	533.88	407.97
	Deferred tax (Net)	27	45.28	(18.09)
IX	Net Profit/ (loss) after tax		1,812.75	1,215.15
	Other Comprehensive Income			
	A. Items			
	-Remeasurements of Defined Benefit Obligation		(1.81)	0.83
	B. Income tax relating to items that will not be reclassified to profit or loss		0.46	(0.21)
X	Total Other Comprehensive Income (A+B)		(1.35)	0.62
XI	Total Comprehensive Income (IX+X)		1,811.40	1,215.77
XII	Earning Per Equity Share (EPS)			
	[nominal value of share Rs. 10/ share]			
	Basic (in Rs.)	28	2.65	1.84
	Diluted (in Rs.)	28	2.65	1.84

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

CA Varun Garg
Partner
Membership No. 523588



New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Managing Director
DIN: 01246420

Sunita Bansal
Director
DIN: 02801660

Prerna Arora
Chief Financial Officer
PAN: BAMPM7263C

Shivani Jindal
Company Secretary
PAN: BSNPJ5687C



IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	For the year ended on March 31, 2025	For the year ended on March 31, 2024
(I) Cash flow from Operating Activities		
Profit before tax	2,391.91	1,605.03
Adjustments for:		
Impairment Loss on Financial instruments	(1.05)	48.79
Prior Period Items	1.78	-
Depreciation and amortisation expense	257.74	208.58
Loss on Assets Written Off	-	-
Re-measurements of Defined Benefit Obligation through OCI	(1.81)	0.83
Gain on Fair value changes due to Fair Value through P&L- Realised	-	(11.97)
Gain on Fair value changes due to Fair Value through P&L- Unrealised	-	-
Interest income at amortised cost	(6,854.08)	(6,086.97)
Fees and Commission Income	(213.15)	(195.49)
Finance cost at amortised cost	2,532.85	2,326.37
Cash inflow from Interest Income	6,431.56	5,793.11
Cash inflow from Fees and Commission Income	307.38	434.91
Cash outflow towards finance costs	(2,423.45)	(2,258.34)
Cash generated from operation before working capital changes	2,429.67	1,864.86
Working capital changes:		
(Increase)/ decrease in trade receivables	-	-
(Increase)/ decrease in loans	(4,998.37)	(2,851.19)
(Increase)/ decrease in financial assets	(76.83)	73.49
(Increase)/ decrease in non- financial assets	(8.71)	1.03
Increase/ (decrease) in trade payables	-	-
Increase/ (decrease) in other financial liabilities	104.90	(5.96)
Increase/ (decrease) in provisions	21.82	11.00
Increase/ (decrease) in non financial liabilities	8.18	0.00
	(2,519.34)	(906.77)
Income Tax paid (Net of refunds)	(539.54)	(393.27)
Net cash flow from operating activities (I)	(3,058.88)	(1,300.05)
(II) Cash flow from Investing Activities		
Increase in Bank Balance other than Cash & Cash Equivalents	500.00	(111.40)
Sale/ (Purchase) of Property, plant & equipment	(264.76)	(82.79)
Sale/ (Purchase) of investments	-	100.00
Gain on sale of Investment at FVTPL	-	12.47
Interest Earned on Fixed Deposits	58.79	84.51
Net cash flow from investing activities (II)	294.03	2.79
(III) Cash flow from Financing Activities		
Net proceeds from issue of equity share capital	3,457.51	-
Net proceeds from borrowings	512.44	1,290.31
Interest expense on lease liabilities	(84.17)	(63.58)
Lease Rentals Paid	(203.07)	(149.63)
Net cash flow from financing activities (III)	3,682.70	1,077.09
Net increase/(decrease) in cash and cash equivalents (I + II + III)	917.85	(220.17)
Cash and Cash Equivalents at the beginning of the year	217.74	437.91
Cash and Cash Equivalents at the end of the year (Note 4a)	1,135.59	217.74

The accompanying notes form an integral part of the Ind AS financial statements.

As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

CA Varun Garg

Partner

Membership No. 523588

New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMJMMR9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

Gopal Bansal
Gopal Bansal
Managing Director
DIN: 01246420

Prerna
Prerna Matta Arora
Chief Financial Officer
PAN: BAMP7263C

Sunita Bansal
Sunita Bansal
Director
DIN: 02801660

Shivani Jindal
Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

a. Equity Share Capital**Equity shares of Rs. 10 each issued, subscribed and fully paid**

Particulars	Number	Amount
As at April 01, 2023	6,59,23,000	6,592.30
Shares allotted through right issue during the year	-	-
As at March 31, 2024	6,59,23,000	6,592.30
Shares allotted through right issue during the year #	1,88,35,164	1,883.52
As at March 31, 2025	8,47,58,164	8,475.82

b. Other Equity**Statement of Changes in Other Equity for the Year ended March 31, 2025**

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2024	653.69	1,021.19	2,439.38	(2.95)	4,111.31
Changes in accounting policy/Prior Period Errors	-	-	1.78	-	1.78
Equity Shares issued during the year	-	1,600.99	-	-	1,600.99
Profit For the Year	-	-	1,812.75	-	1,812.75
Expenses for Issuance of Shares	-	(27.00)	-	-	(27.00)
Total Comprehensive Income for the year	-	-	-	(1.35)	(1.35)
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	362.55	-	(362.55)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2025	1,016.24	2,595.18	3,891.36	(4.30)	7,498.48

During the year the company has allotted 188,35,164 equity shares of Rs. 10/- each issued on Right Issue basis, at issued price of Rs. 18.50/- each share (including a premium of Rs. 8.50/- each) to the applicants from whom the Company has received the share application money through direct application or through renounces aggregating and allotted the shares as per Book Value of shares method at time of allotment.

Statement of Changes in Other Equity for the year ended March 31, 2024

Particulars	Statutory Reserve (In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)	Securities Premium	Retained Earning	Remeasurement of Defined Benefit Liability/Asset	Total Other Equity
Balance as at April 1, 2023	410.66	1,021.19	1,467.26	(3.57)	2,895.54
Equity Shares issued during the year	-	-	-	-	-
Profit For the Year	-	-	1,215.15	-	1,215.15
Total Comprehensive Income for the year	-	-	-	0.62	0.62
Transfer to Special Reserve in terms of Sec 29C of the NHB Act, 1987 & Sec 36(1)(viii) of Income Tax Act, 1961	243.03	-	(243.03)	-	-
Others	-	-	-	-	-
Balance as at March 31, 2024	653.69	1,021.19	2,439.38	(2.95)	4,111.31

The accompanying notes are an integral part of the financial statements.


As per our Report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)


CA Varun Garg
Partner
Membership No. 523588




New Delhi, the 22nd day of May, 2025

UDIN- 25523588BMSMMR9556




Gopal Bansal
Managing Director
DIN: 01246420


Perna Matta Arora
CFO
PAN: BAMP7263C


Sunita Bansal
Director
DIN: 02801660


Shivani Jindal
Company Secretary
PAN: BSNPJ5687C

- Residual value, useful life and indicators of impairment and recoverable value of property, plant and equipment (Refer note no. 3A)

During the year the Management have made a few changes in accounting estimates with respect to:

- ECL
- Proportionate interest
- Useful life of Intangible Asset

The impact of the change in accounting estimate is not material, hence no disclosure for the same is being presented.

(d) New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend / adopt the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Company has reviewed amendments to be effective from April 1, 2024.

Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Company's financial statements as the Company has not entered into any insurance contracts.

Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. Since the Company has not undertaken any such transactions, the amendment did not affect its financial statements.

3. Summary of Material accounting policies:

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Property, plant and equipment:

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

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Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Vehicles	8
Office Equipments*	5
Computers	3
Plant & Machinery	15
Building	60

*Taken at 10 years in case of those assets where management thinks fit.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

B. Intangible assets and amortisation thereof:

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written down value method over a period which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

C. Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

(i) Interest Income:

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

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IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

Delayed payment charges (penal charge and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation

(ii) Dividend:

Dividend income from investments is recognised when the company's right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a. Fees and commission income:

- The Company recognises initial login charges from the customers to whom sanction is not being made on realization basis.
- Bounce charges levied on customers for non-payment of instalment on the contractual date is recognised on realisation.
- Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

b. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis in profit or loss.

c. Other operating income:

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

Fees on value added services and products are recognised on rendering of services and products to the customer.

d. Taxes:

Incomes are recognised net of the goods and services tax, wherever applicable.

D. Expenditures

(i) Finance Costs:

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.C.(i)].



(ii) Other Expenses:

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

E. Leases:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

F. Financial instruments:

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and other borrowings etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.



(i) Financial Assets:

Initial measurement and Recognition:

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees and other charges earned on or before disbursement of loan assets have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost using effective interest rate method:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

- Fair Value through other Comprehensive Income ("FVOCI"):

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair Value through Profit and Loss ("FVTPL"):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De- recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities:

Recognition and initial measurement:

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees, commission and other charges incidental to the borrowed terms loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.



IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

Debt instrument- A 'debt instrument' here means Term loans which are measured at the amortised cost if both the following conditions are met.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Subsequent measurement:

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of financial liabilities:

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned liabilities or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of Financial Instrument:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(iv) Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Risk Categorization of customer based upon their Income Profile, Loan-to-Value (LTV), Age Group, CIBIL, FOIR and Mortgage type in case of Housing Loan / LAP segment and Branch LTV/Audit LTV, Market LTV and DPD in case of Gold Loan segment, considered for loan loss allowance.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortized cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar



characteristics. The measurement of the loss allowance in respect of loans (other than those measured at FVTPL) is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).
- Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.
- Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

Being a housing finance company, the company has to follow the guidelines given by the Reserve Bank of India (RBI) on Prudential norms on Asset Classification and provisioning requirement. The prudential norms prescribed by RBI do not consider the value of security for standard and substandard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the prudential norms of RBI, whichever is higher.

G. Income Tax:

Tax expense comprises of current tax and deferred tax.

(i) Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The Company opted to pay tax under section 115BAA of the Income Tax Act, 1961, consequently the provision of Section 115JB of the Income Tax Act, 1961 pertaining to MAT is not applicable.

(ii) Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. The carrying amount of deferred income tax



NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

H. Employee benefits:

(i) Short term employee benefits:

- (a) Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.
- (b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee including expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(ii) Post-Employment Benefits:

➤ Defined Contribution Plan

- (a) **Provident Fund:** The Company contributes to a government administered Provident Fund in accordance with the provisions of Employees Provident Fund Act. The Amount contributed is recognized as an expense in the period in which the services are rendered by the employees
- (b) **Employee State Insurance:** The Company contributes certain amount to Employee state Insurance as per the provisions of the Employee state insurance act and is recognized as an expense in the period in which the services are rendered by the employees

➤ Defined Benefit Plans

- (a) **Gratuity:** The Company's Gratuity liability under the Payment of Gratuity Act, 1972 is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income net of tax. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Further Junior Collection Staff employed in the states of Rajasthan and Madhya Pradesh have been excluded in calculation of actuarial valuation of Gratuity as their tenure of employment is less than 5 years.

- (b) **Leave Encashment:** The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences i.e. paid leave is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of

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the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

I. Provision, contingent liabilities and contingent assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the instalments are overdue for more than ninety days are classified as NPAs in accordance with the prudential norms prescribed under Master Direction issued by RBI. The provisioning policy of Company covers the minimum provisioning required as per the Master Direction.

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the Master Direction. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the Master Direction.

J. Earnings per share (EPS):

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the Ind AS financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

K. Cash & cash equivalents:

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short -term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.



IFL FINANCE LIMITED (Formerly Known as IFL HOUSING FINANCE LIMITED)

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(Rs. in lakhs, except for share data and unless otherwise stated)

4.

(a) Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash in hand	462.09	187.67
Balance with banks:		
-In current accounts	673.50	30.07
-Remittance in Transit	-	-
In Other Deposit Accounts		
-In fixed deposits (maturities upto 3 months)	-	-
Total	1,135.59	217.74

(b) Bank Balance other than Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposit with bank (maturities more than 3 months)	-	-
Fixed Deposit with bank under Lien (Refer Note 4.(b).(i))	-	-
-In fixed deposits (maturities upto 3 months)	64.38	5.00
-In fixed deposits (maturities more than 3 months)	329.50	888.88
Total	393.88	893.88

4.(b).(i) Fixed Deposit with bank under Lien

- Fixed deposits of Rs. 100 Lakhs (P.Y. Rs. 100 Lakhs) against which Bank Guarantee is being given to NHB for loan.
- Fixed deposits of Rs. 50 Lakhs (P.Y. Rs. 50 Lakhs) against which Bank Guarantee is being given to NHB for loan.
- Fixed deposits of Rs. 31.88 Lakhs (P.Y. Rs. 31.88 Lakhs) against which Bank Guarantee is being given to MAS Financial Services Ltd. for loan.
- Fixed deposits of Rs. 30 Lakhs (P.Y. Rs. 30 Lakhs) against which Bank Guarantee is being given to DCB for loan.
- Fixed deposits of Rs. 10 Lakhs (P.Y. Rs. 510.00 Lakhs) against which Overdraft limit from AU Bank.
- Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from Federal Bank.
- Fixed deposits of Rs. 1 Lakhs (P.Y. Rs. 1 Lakhs) against Overdraft Facility from City Union Bank.
- Fixed deposits of Rs. 150 Lakhs (P.Y. Rs. 150 Lakhs) against Overdraft Facility from ICICI Bank.
- Fixed deposits of Rs. 20 Lakhs (P.Y. Rs. 20 Lakhs) against which Bank Gurantee is being given to Bandhan Bank.

5. Loans
At Amortised Cost

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Term Loans		
Housing loans	11,314.25	15,065.02
Loan Against Property	811.91	1,276.22
Loan Against Shares	-	-
Loan Against Gold Jewellery	21,052.11	11,569.16
Total Gross (A) (I)	33,178.27	27,910.40
Less: Impairment Loss Allowance	196.67	197.72
Total Net (A) (II)	32,981.60	27,712.68
(B) (i) Secured by Tangible Assets	33,178.27	27,910.40
(ii) Secured by Intangible Assets	-	-
(iii) Unsecured	-	-
Total Gross (B) (I)	33,178.27	27,910.40
Less: Impairment Loss Allowance	196.67	197.72
Total Net (B) (II)	32,981.60	27,712.68
(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	33,178.27	27,910.40
Total Gross (C) (I)	33,178.27	27,910.40
Less: Impairment Loss Allowance	196.67	197.72
Total Net (C) (II)	32,981.60	27,712.68
(II) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total Net (C) (III)	-	-
Total Net (C) (II) and (III)	32,981.60	27,712.68

5.1 Loans granted to promoters, Directors, KMPs and related parties

a. repayable on demand	Nil	Nil
b. without specifying any terms or period of repayment	Nil	Nil



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(Rs. in lakhs, except for share data and unless otherwise stated)

6. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit- Unsecured; Considered Good	57.54	46.50
Accrued interest		
-on FD	43.71	35.82
-on others	1.75	1.21
Balances with Govt Authorities	-	0.20
Cash Collateral (Deposits)	20.63	35.63
Others	88.50	15.94
Total	212.13	135.30

7. Deferred tax assets/(Liabilities) recorded in Balance Sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance of Deferred Tax Asset	195.57	177.69
a. Changes in deferred tax assets/(liabilities) recorded in profit or loss	(45.28)	18.09
b. Changes in deferred tax recorded in other comprehensive Income	0.46	(0.21)
c. Changes in deferred tax recorded in Retained Earning	-	-
Closing Balance of Deferred Tax Assets	150.75	195.57

7.1 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Disallowances u/s 43B of the Income Tax Act, 1961	0.70	0.53
Disallowances u/s 40A of the Income Tax Act, 1961	4.79	2.24
Impairment on financial instruments	-	(0.17)
Depreciation and amortisation expenses	7.76	3.86
Financial Instrument (Loans) measured at EIR	(67.83)	7.57
Financial Instrument (Borrowings) measured at EIR	6.35	1.12
Lease Liability Impact	0.33	(1.53)
Special Reserve Created u/s 36(1)(viii)	2.62	4.34
Unrealised net gain/loss on fair value changes	-	0.13
Deferred Tax Assets	(45.28)	18.09

7.2 Changes in deferred tax assets/(liabilities) recorded in profit or loss

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax related to the following		
Remeasurements of Defined Benefit Obligation	0.46	(0.21)
Deferred Tax Assets	0.46	(0.21)

- 7.3** Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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8. Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2025:

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at April 01, 2024	Addition	Deduction/Sale	As at March 31, 2025	As at April 01, 2024	For the Year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
A. Property, Plant and Equipment									
Furniture and fixtures	157.65	63.97	0.33	221.29	72.33	32.50	104.83	116.45	85.32
Vehicles	31.01	24.60	23.93	31.68	17.81	4.71	22.52	9.16	13.20
Office Equipments	88.35	37.16	0.19	125.32	57.25	19.82	77.07	48.26	31.11
Computers	102.49	4.88	-	107.37	88.88	8.31	97.19	10.18	13.61
Plant and Machinery	17.66	-	-	17.66	6.75	1.97	8.72	8.94	10.91
Sub Total	397.16	130.61	24.45	503.32	243.02	67.31	310.33	192.99	154.15
Previous Year	342.75	54.41	-	397.16	183.07	59.95	243.02	154.14	159.69
B. Right of use Assets									
Office Premises (Right of Use asset)	973.71	399.71	-	1,373.42	352.68	154.98	507.66	865.77	621.03
Sub Total	973.71	399.71	-	1,373.42	352.68	154.98	507.66	865.77	621.03
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	208.43	34.94	-	243.36	115.55	30.34	145.89	97.47	92.90
Sub Total	208.43	34.94	-	243.36	115.55	30.34	145.89	97.47	92.90
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52
d. Investment Property									
Residential Flat	-	123.66	-	123.66	-	5.10	5.10	118.56	-
Sub Total	-	123.66	-	123.66	-	5.10	5.10	118.56	-
Previous Year	-	-	-	-	-	-	-	-	-

(Rs. in lakhs, except for share data and unless otherwise stated)

(i) Amount recognised in profit and loss for investment properties

Particulars	31-Mar-25	31-Mar-24
Rental income	5.50	-
Less: Direct operating expenses that generated rental income	-	-
Less: Direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties	-	-
Less: Depreciation for the year	5.10	-
Profit after depreciation	10.60	-

(ii) Fair Value of investment properties

Particulars	31-03-2025	31-03-2024
Fair value	118.56	-
Total	118.56	-

(iii) Leasing arrangements

The aforementioned investment property is leased under long term operating lease agreements with rentals payable monthly. Minimum payments expected to be received under non - cancellable subleases at the balance sheet date:-

Particulars	31-03-2025	31-03-2024
Not later than 1 year	6.00	-
Later than 1 year but not later than 3 years	7.10	-
Total	13.10	-

The investment property was purchased during the current year itself therefore the fair value of the property was taken as per the stamp duty value and the same was executed at the market rate.

Property, Plant and Equipment, Right to use Asset & Intangible Assets as at March 31, 2024

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at April 01, 2023	Addition	Deduction/Sale	As at March 31, 2024	As at April 01, 2023	For the Year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
A. Property, Plant and Equipment									
Furniture and fixtures	130.48	27.17	-	157.65	49.85	22.48	72.33	85.31	80.63
Vehicles	19.95	11.06	-	31.01	15.06	2.75	17.81	13.20	4.89
Office Equipments	79.54	8.81	-	88.35	42.28	14.97	57.25	31.11	37.27
Computers	95.12	7.37	-	102.49	71.55	17.33	88.88	13.61	23.57
Plant and Machinery	17.66	-	-	17.66	4.33	2.42	6.75	10.91	13.33
Sub Total	342.75	54.41	-	397.16	183.07	59.95	243.02	154.14	159.69
Previous Year	289.60	53.24	0.09	342.75	99.83	83.24	183.07	159.69	189.78
B. Right of use Assets									
Office Premises (Right of Use asset)	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03	679.98
Sub Total	911.84	61.87	-	973.71	231.86	120.82	352.68	621.03	679.98
Previous Year	817.86	93.97	-	911.84	110.85	121.00	231.86	679.98	707.01
C. Intangible Assets									
Softwares	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90	92.32
Sub Total	180.06	28.38	-	208.43	87.73	27.82	115.55	92.90	92.32
Previous Year	130.57	49.50	-	180.06	56.04	31.69	87.73	92.33	74.52

Notes

8.1 All the above property, plant & equipment are owned by the company unless specified otherwise.



(Rs. in lakhs, except for share data and unless otherwise stated)

9. Other non- financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Statutory Authorities	8.99	0.44
Prepaid expenses	27.99	27.83
Total	36.98	28.27

10. Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
At Amortised Cost		
Term Loans:		
- From Banks	4,212.89	5,139.02
- From Other Non-Banking Financial Companies	11,256.53	8,725.81
- From National Housing Bank	347.17	627.92
Overdraft:		
- From Banks	716.18	2,003.58
Total	16,532.77	16,496.33
Unsecured		
At Amortised Cost		
Term Loans:		
- From Other Non-Banking Financial Companies	2,246.85	1,745.64
- From Related Parties	-	-
- From Other Parties	-	-
Total	2,246.85	1,745.64
Out of Above:		
In India	18,779.62	18,241.97
Outside India	-	-

10.1 Nature of Security

- Term Loans from Banks are secured against hypothecation of present / future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies, corporate guarantee of holding company, other entity in which directors are interested and personal guarantee of MD/Directors. The same are repayable in equal instalments from 36 to 96 months.
- Term Loans from other Financial Companies being NBFCs/HFCs are secured against hypothecation of present / future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in equal instalments from 24 to 60 months.
- The Company has taken term loan from National Housing Bank (NHB) under various schemes offered by NHB i.e. LIFT and Regular Refinance. Term Loans outstanding from NHB are secured against hypothecation of present / future loan receivables amounting to 125% of loan value, corporate guarantee of holding company and personal guarantee of MD/Directors. The same are repayable in Quarterly equal instalments from 60 to 120 months.
- Overdraft Facility from Federal Bank, CUB and CSB is against pledge of customers' gold with maximum margin of 25% and Overdraft facility from ICICI Bank is DLOD with security cover of 1.25 times maintained through receivables. Corporate guarantee of holding company and personal guarantee of MD/Directors is given in these Overdraft facilities. The company has also placed Fixed Deposit of Rs 1 lakh each against Overdraft facility availed from City Union Bank & Federal Bank and Rs 1.5 Crore with ICICI Bank.
- Quarterly Returns filed with NHB are in agreement with the books of accounts.
- The company has duly filed Registration of charges and Satisfaction of charges with Registrar Of Companies.
- The company has taken unsecured loan from a Non- Banking Financial Company which is repayable on demand.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

10.2 Terms of Repayment of Term Loans and Debentures as at March 31, 2025

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks					
ROI 10.85%-15.00%	1,558.81	1,976.73	677.36	-	4,212.89
From National Housing Bank (NHB)					
ROI 8.7%-8.8%	347.17	-	-	-	347.17
From Non-Banking Financial Companies					
ROI 11.60%-14%	5,310.13	5,536.70	409.71	-	11,256.53
Overdraft:					
From Banks					
ROI 9.50%-10.75%	716.18	-	-	-	716.18
Total Secured	7,932.29	7,513.42	1,087.07	-	16,532.77
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies					
ROI 12.00%	-	2,246.85	-	-	2,246.85
Total Unsecured	-	2,246.85	-	-	2,246.85
Total	7,932.29	9,760.27	1,087.07	-	18,779.62
EIR Impact					125.69
Total					18,905.31

Terms of Repayment of Term Loans and Debentures as at March 31, 2024

Particulars	Upto 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Secured					
At Amortised Cost					
Term Loans:					
From Banks					
ROI 10.65%-15.00%	1,597.98	2,447.02	832.43	261.58	5,139.01
From National Housing Bank (NHB)					
ROI 8.25%-8.35%	254.49	204.73	102.64	66.06	627.92
From Non-Banking Financial Companies					
ROI 11.60%-14.50%	3,395.66	4,781.65	548.51	-	8,725.82
Overdraft:					
From Banks					
ROI 9.50%-12.10%	2,003.58	-	-	-	2,003.58
Total Secured	7,251.71	7,433.40	1,483.58	327.64	16,496.33
Unsecured					
At Amortised Cost					
From Non-Banking Financial Companies					
ROI 12.00%	-	1,745.64	-	-	1,745.64
Total Unsecured	-	1,745.64	-	-	1,745.64
Total	7,251.71	9,179.04	1,483.58	327.64	18,241.97
EIR Impact					150.92
Total					18,392.89

10.3 The company has not been declared wilful defaulters by any bank or financial institution or other lenders.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

11. Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability* (Note 11.a)	993.09	712.28
Total	993.09	712.28

*Disclosed as required by Ind AS 116 - Leases as state below

a. Lease Liability Movement

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	712.28	741.36
<u>Add:</u>		
Addition during the year	399.71	101.55
Interest on lease Liability	84.17	63.59
<u>Less:</u>		
Derecognised during the year	-	(44.59)
Lease Rental Payments	(203.07)	(149.63)
Balance as at the end of the year	993.09	712.28

b. Maturity Analysis of Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Less than One year	0.85	4.56
One to five Year	228.35	110.12
More than five Year	763.90	597.60
Total	993.09	712.28

12. Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest Accrued But Not Due on Borrowings	89.84	76.70
Expenses payable	126.63	128.88
Payable to Statutory Authorities	47.45	36.45
Other Payables	4.57	5.74
Total	268.49	247.77

13. Current Tax Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Provision	533.88	407.97
Less: Advance tax and Tax deducted at source	438.03	306.46
Total	95.85	101.51

14. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
-Gratuity	55.03	36.01
-Leave Encashment	9.46	6.66
Total	64.49	42.67

15. Other non financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Interest Received on Loans	9.88	1.70
Total	9.88	1.70

16. Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Authorized shares				
Equity shares of Rs. 10 each with voting rights	100,000,000	10,000.00	70,000,000	7,000.00
Issued, subscribed and fully paid- up shares	84,758,164	8,475.82	65,923,000	6,592.30

16.1 Reconciliation of number of equity shares and amount outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	(Amount)	Nos.	(Amount)
Equity Shares				
- At the beginning of the period	65,923,000	6,592.30	65,923,000	6,592.30
- Issued during the year (Right Issue)	18,835,164	1,883.52	-	-
Total Outstanding at the end of the period	84,758,164	8,475.82	65,923,000	6,592.30



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(Rs. in lakhs, except for share data and unless otherwise stated)

16.2 Terms and rights attached to equity shares

The Company has issued only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend if any to be proposed by the Board of Directors will be subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

16.3 Shares held by the holding Company

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%

16.4 Details of shareholders holding more than 5% shares in the Company: -

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal	7,393,428	8.72%	7,393,460	11.22%
Mrs. Sunita Bansal	6,942,410	8.19%	6,942,410	10.53%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16.5 Details of shareholding held by promoters in the Company: -

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	Nos.	% holding	Nos.	% holding
India Finsec Limited #	60,185,024	71.01%	41,349,860	62.72%
Mr. Gopal Bansal #	7,393,428	8.72%	7,393,460	11.22%
Ms. Sunita Bansal #	6,942,410	8.19%	6,942,410	10.53%
M/s Gopal Bansal (Huf) *	2,007,734	2.37%	2,007,734	3.05%
Mr. Virender Kumar Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Santosh Bansal *	1,907,361	2.25%	1,907,361	2.89%
Ms. Kriti Suri #	1,480,010	1.75%	1,480,010	2.25%
Mr. Ashish Bansal #	681,201	0.80%	681,201	1.03%
Ms. Nirmala Devi §	681,201	0.80%	681,201	1.03%
Mr. Naresh Kumar Bansal §	681,201	0.80%	681,201	1.03%
Ms. Charu Bansal §	681,201	0.80%	681,201	1.03%
M/s Arvind Kumar Bansal (Huf) *	209,990	0.25%	209,990	0.32%
Mr. Arvind Kumar Bansal *	10	0.00%	10	0.00%
Mrs. Nidhi Bansal*	10	0.00%	-	-
Mrs. Ganga Devi Bansal*	10	0.00%	-	-
Mrs. Renu Bansal*	10	0.00%	-	-

* Relatives of Promoter Mr. Gopal Bansal

having control over the affairs of the company directly or indirectly whether as a shareholder, director or otherwise.

§ Relatives of Promoter Mr. Ashish Bansal

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

17. Other Equity

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Reserve		
(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)		
Balance as per last financial statements	653.69	410.66
Add: Transferred during the year	362.55	243.03
Net Balance of Special Reserve	1,016.24	653.69
Securities Premium		
Opening balance	1,021.19	1,021.19
Add: addition/(deletion) during the year	1,573.99	-
Closing balance	2,595.18	1,021.19
Retained earnings		
Opening balance	2,439.38	1,467.26
Add: Profit/(loss) for the year	1,812.75	1,215.15
Less: Appropriation to Statutory reserve	(362.55)	(243.03)
Closing balance	3,889.58	2,439.38
Equity instruments through other comprehensive income		
Opening balance	(2.95)	(3.57)
Add: addition/(deletion) during the year	(1.35)	0.62
Closing balance	(4.30)	(2.95)
Total	7,496.70	4,111.31

17.1 Nature and Purpose of Reserves

a. Statutory Reserves

As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.

b. Security Premium

This Reserve represents the premium on issue of equity shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

18. Interest Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
<u>On financial assets measured at amortised cost</u>		
- on loans	6,792.07	5,999.08
- Interest on Deposits with Banks	58.79	84.51
Total	6,850.86	6,083.60



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(Rs. in lakhs, except for share data and unless otherwise stated)

19. Fees and Commission Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fees and Other Charges	213.15	195.49
Total	213.15	195.49

20. Net Gain on Fair Value Changes

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(A) Net gain/(loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated through profit & loss	-	11.97
	-	11.97
(B) Others	-	-
Net gain on fair value changes	-	24.47
Fair Value Changes:		
- Realised	-	11.97
- Unrealised	-	-
Net gain on fair value changes	-	11.97

21. Other Income From Operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Income From Operation	47.17	42.46
Total	47.17	42.46

22. Other Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other Interest Income	3.22	3.38
Advertisement Income	2.85	34.05
Other Misc. Income	19.83	6.60
Total	25.90	44.03

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(Rs. in lakhs, except for share data and unless otherwise stated)

23. Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial liabilities measured at amortised cost		
- Interest on borrowings	2,420.42	2,248.51
- Interest expense on lease liabilities	84.17	63.58
- Bank Charges	28.26	14.28
Total	2,532.85	2,326.37

24. Impairment on Financial Instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On Financials Instruments measured at amortised Cost		
- Loans	-	48.79
Total	-	48.79

25. Employee benefits expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and Wages	1,155.29	1,263.02
Contribution to Provident and Other Funds	59.56	83.66
Staff Welfare Expenses	16.33	23.80
Other Benefits	106.12	66.90
Total	1,337.30	1,437.39

26. Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement expenses	18.90	11.92
Bad Debts written off	3.56	-
Payments to Auditors	3.05	2.18
<u>Insurance Expense</u>		
- Car Insurance	0.14	0.16
- Office Insurance	35.84	29.59
Commission expenses	0.47	1.12
Conveyance expenses	42.36	122.12
Communication Expense	5.80	10.22
Director's Sitting Fees	2.72	1.72
Documentation & stamp charges	13.61	1.77
Document Handling & Storage Expense	6.56	6.52
<u>Donations</u>		
- for Corporate Social Responsibility	15.47	15.01
Fee & subscriptions	42.80	33.80
Interest on government dues	16.89	0.07
Legal & technical charges	20.99	41.60
Professional charges	128.41	125.26
Business Development Expenses	0.72	72.89
Debt Syndication Charges	12.50	20.00
Printing & Stationery	11.27	14.50
Power & Fuel	31.82	25.48
Postage & Courier	3.15	7.95
Rent expenses	55.20	50.77
<u>Repair & Maintenance</u>		
- Office Repair & Maintenance	23.08	41.11
- Vehicle Repair & Maintenance	0.28	0.63
- Computer Repair & Maintenance	-	0.17
Software expenses	44.11	41.95
Server Maintenance Charges	19.79	6.97
Tour & travelling expenses	6.81	2.99
Other expenses	50.98	62.91
Total	617.28	751.38

26.1 Auditor Remuneration Includes:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
- for statutory audit	1.64	1.36
- for tax audit	0.55	0.44
- for certification fees	0.86	0.38
Total	3.05	2.18



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(Rs. in lakhs, except for share data and unless otherwise stated)

26.2 Corporate Social Responsibility Expense (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For Corporate Social Responsibility	15.47	15.01
Total	15.47	15.01

26.2.1

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	18.44	12.01
b) Un-utilised Amount brought forward from previous year	-	-
c) Excess Amount spent last year brought forward *	3.00	-
d) Amount of Expenditure incurred during the year	15.47	15.01
e) Shortfall at the end of the year	-	-
f) Total of Previous Year Shortfall	-	-
g) Un-utilised Amount carried forward to next year	-	-
h) Excess Amount spent carried forward to next year *	0.03	3.00
i) Nature of CSR Activities	Eradicating hunger, poverty and malnutrition, promoting welfare, health care including preventive health and sanitation.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation.
j) Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
k) where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provision during the year shall be shown separately.	Nil	Nil

27. Income Tax

The components of income tax expense are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	533.88	407.96
Adjustment in respect of current income tax of prior years	-	-
Deferred Tax	-	-
Deferred Tax Charge	45.28	(18.09)
Adjustment in respect of prior Year	-	-
Income tax expense reported in Statement of Profit and Loss	579.16	389.87

In accordance with the provisions of Section 115BAA of the Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%).

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is, as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	2,391.91	1,605.03
At India's statutory income tax rate of 25.168% (2021: 25.168%)	602.00	403.96
Reconciling Items	-	-
Statutory Reserve u/s 36(1)(viii) of Income Tax Act, 1961	5.00	7.61
Corporate Social Responsibility and Others	17.84	8.33
Income tax expense reported in the Statement of Profit and Loss	579.16	419.90

28. Earnings per Equity share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit attributable to ordinary equity holders	1,812.75	1,215.27
Weighted average number of equity shares for basic earnings per share	685.16	659.23
Effect of dilution	-	-
Weighted average number of equity shares for diluted earnings per share	685.16	659.23
Earnings per equity share:		
Basic earnings per share (Rs.)	2.65	1.84
Diluted earnings per share (Rs.)	2.65	1.84



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025**29. Special reserve:**

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The company created Special Reserve of Rs. 19.85 Lakhs u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987 and addition Special Reserve of Rs. 342.70 Lakhs as per Section 29C of the National Housing Bank Act, 1987.

30. Retirement benefit plan:**(i) Defined Contribution Plan:**

- a. **Provident Fund:** The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized Rs. 34.93 Lakhs (March 31, 2024: Rs. 58.99 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss.
- b. **Employee State Insurance:** The Company makes contributions to Employees State Insurance which are defined contribution plan for qualifying employees. The Company recognized Rs. 5.62 lakhs (March 31, 2024: Rs. 12.96 lakhs) for Employees State Insurance contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

- a. **Gratuity (unfunded):** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. Gratuity liability is non-funded.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Net Liability/(assets) recognised in the Balance Sheet

Particular	(Rs. in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the end	55.03	36.01

Net benefit expense recognised in Statement of Profit and Loss

Particular	(Rs. in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Service Cost	14.62	9.67
Net Interest Cost	2.59	1.99
Total expense recognised in the employee benefit expense	17.21	11.66



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Details of changes in present value of defined benefit obligations as follows:

(Rs. in lakhs)		
Particular	As at March 31, 2025	As at March 31, 2024
Present value of obligation as at the beginning of the year	36.01	27.09
Service cost	14.62	9.67
Net Interest Cost	2.59	1.99
Re-measurements	3.61	(0.82)
Benefit paid	(1.80)	(1.92)
Liability Transferred In / (Out) – Net	0	0
Contribution paid to fund	0	0
Present value of obligation as at the end of the year	55.03	36.01

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particular	As at March 31, 2025	As at March 31, 2024
i) Discount rate	7.18%	7.18%
ii) Future salary increase	15.00%	15.00%
iii) Withdrawal Rate	30.00%	30.00%
iv) Mortality Rate	100%	100%

Notes:

- (i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- (ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.
- (iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.
- b. **Leave Encashment:** The expected cost of accumulating compensated absences i.e. paid leave is determined by an independent actuarial is accumulated and booked at the balance sheet date amounting to Rs. 9.45 Lakhs.

Expense recognised in the Balance Sheet

(Rs. in lakhs)		
Particular	As at March 31, 2025	As at March 31, 2024
Total Employer Expense	4.81	2.10

Balance Sheet Position as on valuation date

(Rs. in lakhs)		
Particular	As at March 31, 2025	As at March 31, 2024
Net asset/(liability) recognised in balance sheet	(9.45)	(5.88)



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

31. Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

(Rs. in lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial assets						
(a) Cash and cash equivalents	1135.59	-	1135.59	217.74	-	217.74
(b) Bank Balance other Cash and cash equivalents	269.13	124.75	393.88	680.75	213.13	893.88
(c) Loans*	23,730.78	9,250.82	32,981.60	14,291.91	13,420.77	27,712.68
(d) Investments	-	-	-	-	-	-
(e) Other financial assets	147.04	65.09	212.13	60.90	74.40	135.30
Total Financial assets	25282.54	9440.66	34723.20	15,251.29	13,708.31	28,959.60
Non-financial assets						
(a) Deferred tax assets (net)	-	150.75	150.75	-	195.57	195.57
(b) Property, plant and equipment	-	192.99	192.99	-	154.14	154.14
(c) Right to use Asset	-	865.77	865.77	-	621.03	621.03
(d) Investment Property	-	118.56	118.56	-	-	-
(d) Intangible assets under development	-	-	-	-	-	-
(e) Other intangible assets	-	97.47	97.47	-	92.90	92.90
(f) Other non-financial assets	8.99	27.99	36.98	0.44	27.83	28.27
Total Non-financial assets	8.99	1,453.53	1,462.52	0.44	1,091.47	1,091.91
Total Assets	25,291.53	10,894.19	36,185.72	15,251.73	14,799.78	30,051.51

*Provision is netting off based upon maturity date of loans.

(Rs. in lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Financial liabilities						
(a) Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-



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(b) Borrowings (other than debt securities)	7,932.28	10,847.34	18,779.62	7,251.71	10,990.26	18,241.97
(c) Other financial liabilities	268.49	993.09	1,261.58	247.77	712.28	9,60.05
Total Financial liabilities	8,200.77	11,840.43	20,041.20	7,499.48	11,702.54	19,202.02
Non-financial liabilities						
(a) Current tax liabilities (net)	95.85	-	95.85	101.51	-	101.51
(b) Provisions	9.46	55.03	64.48	6.66	36.01	42.67
(c) Deferred Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other non-financial liabilities	-	9.88	9.88	-	1.70	1.70
Total Non-financial liabilities	105.31	64.91	170.21	108.17	37.71	145.88
(a) Equity share capital	-	8,475.82	8,475.82	-	6,592.30	6,592.30
(b) Other equity	-	7,498.48	7,498.48	-	4,111.31	4,111.31
Total Equity	-	15,974.30	15,974.30	-	10,703.61	10,703.61
Total Liabilities and Equity	8306.08	27879.64	36,185.72	7,607.65	22,443.86	30,051.51

32. Contingent liabilities and commitments:

		(Rs. in lakhs)	
S. No.	Particular	As at March 31, 2025	As at March 31, 2024
(I)	Contingent liabilities and commitments	-	-
(II)	Claims against the company not acknowledged as debts	-	-
(III)	Disputed income tax liability	-	-
(IV)	Commitment towards sanction pending disbursement including part disbursement	NIL	128.59
	-Towards sanction pending disbursement	NIL	56.82
	-Towards part disbursement	NIL	71.77
(V)	Pending capital commitment	-	-

33. Capital
Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.



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Particulars	(Rs. in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Tier I capital	14,860.31	10,703.61
Tier II capital	2,353.65	1823.91
Total capital (Tier I + Tier II)	17,213.96	11,618.02
Adjusted value of funded risk assets i.e. On Balance Sheet Item	26,173.87	18,420.85
Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	0.00	64.29
Total Risk weighted assets	26,173.87	18,485.15
Tier I capital ratio	56.78%	52.98%
Tier II capital ratio	8.99%	9.87%
Total capital ratio	65.77%	62.85%

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit net of Deferred Tax and Intangible Assets. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

34. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The Company determines fair values of its financial instruments according to the following hierarchy:

- Level 1- Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
- Level 2- Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2025 is as follows:

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

The fair value measurement hierarchy for financial instruments measured at fair value as at March 31, 2024 is as follows:

Particulars	At Fair Value Through Profit or Loss			
	Level-1	Level-2	Level-3	Total
Investments- FVTPL	-	-	-	-

Valuation methodologies of financial instruments measured at fair value: Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:



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Investments at fair value through profit or loss: For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date.

Financial instruments not measured at fair value: Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments measured at fair value through profit and loss account.

(Rs. in lakhs)

PARTICULARS	LEVEL	CARRYING VALUE		FAIR VALUE*	
		AS AT MARCH 31, 2025	AS AT MARCH 31, 2024	AS AT MARCH 31, 2025	AS AT MARCH 31, 2024
Financial assets					
Cash and cash equivalents	1	1,135.59	217.74	1,135.59	217.74
Bank Balance other Cash and cash equivalents	1	393.88	893.88	393.88	893.88
Loans	3	32,981.60	27,712.68	32,981.60	27,712.68
Other financial assets	3	212.13	135.30	212.13	135.30
Financial assets		34,723.20	28,959.60	34,723.20	28,959.60
Financial liabilities					
Payables					
Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	3	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3	-	-	-	-
Borrowings (other than debt securities)	3	18,779.62	18,241.97	18,779.62	18,241.97
Other financial liabilities	3	1,261.58	960.05	1,261.58	960.05
Financial liabilities		20,041.20	19,202.02	20,041.20	19,202.02

*fair value computed using discounted value method.

35. Risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

The Company's Risk Management Committee of the Board of Directors constituted in accordance with the Reserve Bank of India regulations has overall responsibility for overseeing the implementation of the Risk Management Policy. The committee meets at least twice in a year to review the Risk Management practices. Risk Management department periodically places its report to the committee for review. The committee's suggestions for improving the Risk Management Practices are implemented by the Risk Management department.

Risk Management department shall be responsible for the following:

- Identifying the various risks associated with the activities of the Company and assessing their impact on the business.



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- b) Measuring the risks and suggesting measures to effectively mitigate the risks.

The Company is generally exposed to credit risk, liquidity risk, market risk and operational risk.

A. Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. It has a diversified lending model and focuses on 3 broad categories viz: (i) Housing Loan, (ii) Loan Against Property, (iii) Loan against collateral of Gold Jewellery. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1 - Facilities with present credit risk is low and falling under zero to thirty days past due (DPD).

Stage 2 - Facilities with present credit risk is medium or facilities with present credit risk is low but are under-performing assets having 31 to 90 DPD. In gold Loans falling under 31 to 90 DPD, no additional provision is being created as management found it highly secured and easy to recover.

Stage 3 - Facilities with present credit risk is high or facilities with present credit risk is low or medium but are non-performing assets having greater than 90 DPD. In gold Loans having more than 90 days DPD, no additional provision is being created as management found it highly secured and easy to recover.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio:

As at March 31, 2025:

(Rs. in lakhs)			
Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	28,614.86	4,341.44	221.98
Allowance for ECL	106.80	19.21	70.67
ECL Coverage Ratio (%)	0.37%	0.44%	31.84%

As at March 31, 2024:

(Rs. in lakhs)			
Particulars	Stage 1	Stage 2	Stage 3
Gross Carrying Value	23,238.89	4,356.59	314.92
Allowance for ECL	78.27	20.87	98.58
ECL Coverage Ratio (%)	0.34%	0.48%	31.30%

Movement of impairment loss allowance

(Rs. in lakhs)			
Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss Allowance as at March 31, 2024	78.27	20.87	98.58
New Addition/Reduction during the year	28.53	(1.66)	(27.91)
Impairment Loss Allowance as at March 31, 2025	106.80	19.21	70.67



IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025**Collateral valuation**

The Company provides fully secured loans to Customers. To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI").

Loan against Gold Jewellery is given against the collateral of Gold Jewellery maintaining the LTV as prescribed in Master Direction. The company seeks to use collateral through Auction of Gold Jewellery conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and on exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

B. Liquidity risk

Liquidity risk is the risk of being unable to raise necessary funds from the market at optimal cost to meet operational and debt servicing requirements. The purpose of liquidity management is to ensure sufficient cash flow to meet all financial commitments and to capitalise on opportunities for business expansion. Board of Directors will have overall responsibility of monitoring, supervision and control of the Asset Liability Management (ALM) mechanism. Board will have a sub-committee for reviewing ALM (ALM Committee) of the company on at least half yearly intervals. An Asset Liability Committee (ALCO) consisting of senior executives of the company including the Managing Director shall be responsible for the day to day as well as periodic monitoring and control of Asset Liability management.

Asset liability management (ALM)

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2025 are as under:-

(Rs. in lakhs)

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	1,135.59	-	-	-	-	-	-	-	1,135.59
Bank Balance other than Cash and cash equivalents	15.01	5.00	50.00	8.75	189.37	125.75	-	-	393.88
Loans	921.73	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	80.28	0.35	2.66	24.82	38.93	7.55	0.00	57.54	212.13
Financial Liabilities									
Payables									
Trade Payables									



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	623.82	609.59	600.21	1796.42	4302.24	9760.27	1087.07	0.00	18,779.62
Other financial liabilities	268.49	-	-	-	-	-	-	993.09	1261.58

The Maturity pattern of Financial Assets and Liabilities at undiscounted rate as on March 31, 2024 are as under:-

Particulars	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial Assets									
Cash and cash equivalents	217.74	-	-	-	-	-	-	-	217.74
Bank Balance other than Cash and cash equivalents	-	5.00	-	119.13	556.63	213.13	-	-	893.88
Loans	873.37	799.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	2.69	0.91	3.38	37.66	16.26	27.90	-	46.50	135.30
Financial Liabilities									
Payables									
Trade Payables									
total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
total outstanding dues of creditors other than micro enterprises	-	-	-	-	-	-	-	-	-



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

and small enterprises									
Borrowings (other than debt securities)	424.57	436.75	439.29	1,425.62	4,525.48	9,179.04	1,483.58	327.64	18,241.97
Other financial liabilities	235.60	2.23	-	9.94	-	-	-	712.28	960.05

C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to two types of market risk as follows:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is subject to interest rate risk, primarily since it lends to customers at fixed rates. Majority of our borrowings are at floating rates, borrowings at floating rates gives rise to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate are as follows:

(Rs. in lakhs)		
Impact on Profit Before Taxes	As at March 31, 2025	As at March 31, 2024
On Floating Rate Borrowings		
1% increase in interest rate	157.43	172.38
1% decrease in interest rate	(157.43)	(172.38)
On Floating Rate Loans and Advances		
1% increase in interest rate	12.54	15.96
1% decrease in interest rate	(12.54)	(15.96)

ii) Price risk

Sudden fall in the gold price and fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part mitigated by a minimum 25% margin retained on the value of gold jewellery for the purpose of calculation of the loan amount. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

D. Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to



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financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes including the use of internal audit.

36. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2nd, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows:

(Rs. in lakhs)

Particular	As at March 31, 2025	As at March 31, 2024
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

37. Related parties:

As per IND AS 24 on "Related Party Transactions", the disclosures of transactions with the related parties entered into are given below: -

- a. List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

Sr. No.	Nature of Relationship	Name of Party
(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Mr. Ashish Bansal (Whole Time Director) Ms. Kriti Suri (Whole Time Director) Ms. Prerna Matta Arora (CFO) Ms. Shivani Jindal (Company Secretary)* Ms. Varsha Bharti (Company Secretary)**
(iii)	Relatives of Key Management Personnel	Ms. Sunita Bansal (Director)*** Ms. Ganga Devi Bansal



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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

		Ms. Santosh Bansal Mr. Virender Kumar Bansal Mr. Arvind Kumar Bansal Ms. Nidhi Bansal Ms. Charu Bansal Ms. Geetanjali Bansal Mrs. Renu Bansal
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Gopal Bansal HUF M/s Arvind Kumar Bansal HUF
(v)	Others	Mr. Jasvinder Singh Mrs. Anu Kaur

* appointed w.e.f 09.09.2024

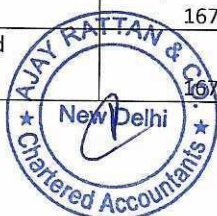
** resigned w.e.f 13.07.2024

*** Change in Designation from Whole-time Director to Non-executive Director w.e.f 28.10.2024

b. Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure":

(Rs. in lakhs)

(Rs. in lakhs)						
S. No	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2025	31/03/2024	31/03/2025	31/03/2024
			Amount	Amount	Amount	Amount
(i)	Key Managerial Personnel: -					
	Mr. Gopal Bansal	Director remuneration	29.30	20.51	20.06	NIL
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Sunita Bansal	Rent paid	9.00	9.00	NIL	NIL
		Director remuneration	14.65	11.72	1.54	0.90
		Allotment of Equity share	NIL	NIL	NIL	NIL
	Ms. Kriti Suri	Director Remuneration and Conveyance	9.96	9.37	0.90	0.78
	Ms. Ashish Bansal	Director remuneration	14.65	14.65	1.14	1.09
	Ms. Prerna Matta Arora	Salary	23.63	19.64	2.07	2.04
	Mr. Somesh Tewari	Salary	NIL	31.42	NIL	NIL
	Ms. Varsha Bharti	Salary	2.99	5.39	NIL	0.85
	Ms. Shivani Jindal	Salary	4.45	NIL	0.66	NIL
	Mr. Vijay Kr. Dwivedi	Salary	NIL	5.33	NIL	NIL
	(iii)	Relatives of Key Management Personnel: -				
Ganga Devi Bansal		Loan Taken	167.53	27.00	NIL	NIL
		Loan Repaid	167.53	27.00	NIL	NIL



NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

		Interest Paid	7.52	0.19	NIL	NIL
	Santosh Bansal	Loan Taken	150.00	NIL	NIL	NIL
		Loan Repaid	150.00	NIL	NIL	NIL
		Interest Paid	8.67	NIL	NIL	NIL
	Virender Kumar Bansal	Loan Taken	176.11	NIL	NIL	NIL
		Loan Repaid	176.11	NIL	NIL	NIL
		Interest Paid	7.92	NIL	NIL	NIL
	Nidhi Bansal	Loan Taken	181.95	NIL	NIL	NIL
		Loan Repaid	181.95	NIL	NIL	NIL
		Interest Paid	7.02	NIL	NIL	NIL
	Charu Bansal	Professional Charges	19.20	19.20	1.44	1.44
	Geetanjali Bansal	Professional Charges	15.84	NIL	1.19	NIL
	India Finsec Limited	Allotment of Equity shares	3,484.51	NIL	NIL	NIL
	India Finsec Limited	Commission Paid for Bank Guarantee	7.63	NIL	10.90	NIL
	India Finsec Limited	Loan Taken	639.00	NIL	NIL	NIL
		Loan Repaid	639.00	NIL	NIL	NIL
		Interest Paid	14.13	NIL	NIL	NIL
(iv)	Other Related parties: -					
	Gopal Bansal HUF	Rent paid	9.00	9.00	NIL	NIL

38. Segment reporting:

The Company's main business is lending against collateral of gold jewellery and existing portfolio includes loans for purchase, construction, repairs and renovation etc. of residential house and Loan against property as well. As such, there is no requirement to separately report for reportable segments, as per IND AS 108 "Operating Segment" specified under section 133 of the Companies Act, 2013.

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NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

39. Analytical ratios:

Ratio	Numerator	Denominator	For the Year 31.03.2025	For the Year 31.03.2024	% Variance	Reason for variance
(a) Capital to Risk-Weighted Assets Ratio	Tier I+ Tier II Capital	Adjusted value of funded risk assets i.e. On Balance Sheet Item and Adjusted value of non-funded risk assets i.e. Off Balance Sheet Item	65.77%	62.85%	2.92%	Due to increase in Tier I Capital
(b) Tier I CRAR	Tier I Capital		56.78%	52.98%	3.80%	
(c) Tier II CRAR	Tier II Capital		8.99%	9.87%	-0.88%	Inclusion of Subordinated Debt
(d) Liquidity Coverage Ratio	High Quality Liquid Assets	Next 30 days Net Cash Outflow	4.23	- 0.88	580.68%	Higher amount of Cash & Cash Equivalents.

40. Details of the Auctions conducted with respect to Gold Loan:

During the year under review, the Company auctioned **1020** loan accounts (Previous Year: **1082** accounts). The outstanding dues on these loan accounts were **Rs. 467.15 Lakhs** (March 31, 2024: **Rs. 524.94 Lakhs**) exclusive of GST till the respective date of auction. The Company realized **Rs. 501.13 Lakhs** (March 31, 2024: **Rs. 528.59 Lakhs**) on auctioning of gold Jewellery taken as pledge on these loans. The Excess realized Amount was refundable to Customers.

41. The Company has passed a resolution in the board meeting dated 20 May 2024 to discontinue being housing finance company and to convert it into a NBFC and to file applications to seek approval from RBI and NHB and/or various authorities as may be required. The application is under process with RBI.

42. During the financial year ended March 31, 2025, the company has not reclassified the comparative figures.

43. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

44. As the best available information on records, the Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the Financial Year 2024-25.

45. The Company has entered into a Co-Lending arrangement with Grow Money Capital Private Limited (GMCPL) for the purpose of onward lending during FY 2024-25 at New Delhi, India in the lending ratio of 90 (GMCPL) : 10 (IFL Finance Ltd.). Owing to this, Total Assets under Management of the Company as on 31 March 2025 is INR 33,211.36 lacs, which includes Gross Owned Portfolio of INR 33,178.27 lacs and Managed Portfolio of INR 33.09 lacs.

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46. Disclosure pursuant to RBI Notification – RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2019- 20 Dated 13 March 2020 – A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'.

(Rs. in lakhs)

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 and provisions and IRACP norms
Asset Classification as per RBI Norms						
1	2	3	4	5= 3-4	6	7= 4-6
Performing Assets						
Standard	Stage 1	28,614.85	106.80	28,508.05	100.23	6.57
	Stage 2	4,341.44	19.21	4,322.23	16.33	2.88
Sub Total		32,956.29	126.01	32,830.28	116.56	9.45
Non- Performing Assets (NPA)						
Sub-Standard	Stage 3	32.69	8.87	23.81	4.71	4.16
Doubtful- upto 1 Year	Stage 3	129.88	29.68	100.20	26.27	3.41
1 to 3 Year	Stage 3	39.32	12.02	27.30	12.02	-
More than 3 Years	Stage 3	8.71	8.71	-	8.71	-
Sub Total for Doubtful		177.91	50.42	127.50	47.00	3.41
Loss	Stage 3	11.38	11.38	-	11.38	-
Sub Total for NPA		221.98	70.67	151.13	63.09	7.58
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub Total		-	-	-	-	-
	Stage 1	28,614.85	106.80	28,508.05	100.23	6.57
	Stage 2	4,341.44	19.21	4,322.23	16.33	2.88
	Stage 3	221.98	70.67	151.13	63.09	7.58
Total		33,178.26	196.67	32,981.59	179.65	17.03

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Disclosure as per para 16.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021

47.

Particulars	As at March 31, 2025	
	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	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits")	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	18,869.46	-
(e) Commercial Paper	-	-
(f) Public Deposits*	-	-
(g) Other Loans (specify nature)	-	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
Asset side		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		33,178.27
(b) Unsecured		-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease		-
(b) Operating Lease		-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on Hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
(5) Break-up of Investments		
Current Investments		
a. Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
b. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others		-
Long Term Investments		



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(Rs. in lakhs, except for share data and unless otherwise stated)

a. Quoted			
(i) Shares			
(a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others			-
b. Unquoted			
(i) Shares			
(a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others			-
6. Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount Net of Provision as at March 31, 2025		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries			
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Total	32,981.60	-	32,981.60
	32,981.60	-	32,981.60
7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category	Amount Net of Provision as at March 31, 2025		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries			
(b) Companies in the same group	-	-	-
(b) Other Related Parties	-	-	-
2. Other than Related Parties	-	-	-
Total	-	-	-
	-	-	-
** As per notified Indian Accounting Standard (Please see Note 3)			
8. Other Information			
Particulars		Amount as at March 31, 2025	
(i) Gross Non-Performing Assets			
(a) Related Parties			
(b) Other Than Related Parties			-
(ii) Net Non-Performing Assets			221.98
(a) Related Parties			
(b) Other Than Related Parties			-
(iii) Asset acquired in satisfaction of Debt			151.31
Notes:			-
a. As defined in Paragraph 4.1.30 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.			
b. Provisioning norms shall be applicable as prescribed in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended from time to time.			
c. All notified Indian Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.			



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

(Rs. in lakhs, except for share data and unless otherwise stated)

48. Additional Disclosures In Terms of NHB Guidelines

48.1 Principal Business Criteria:

48.1.1 In terms of para 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

a. As per para 5.3 of Master Directions-NBFC-HFC (Reserve Bank) Directions, 2021, out of the Company's total assets (netted off by intangible assets) as on 31st March 2025, not less than 60% should be by way of housing finance and not less than 50% should be by way of housing finance to individuals.

b. IFL Housing Finance Limited is a Housing Finance Company whose financial assets in the business of providing finance for housing, is 32.26% of its Total Balance Sheet Assets (Netted Off by Intangible Assets) as on 31 March 2025 (Previous Year was 51.70%). Out of the total assets (netted off by intangible), 32.26% is by way of housing finance for individuals (Previous Year was 51.70%). Therefore, PBC criteria as mentioned in point (a) above was not met as on 31 March 2025.

48.2 Capital to Risk Assets Ratio (CRAR):

Particulars	As at March 31, 2025	As at March 31, 2024
(i) CRAR (%)		
(ii) CRAR-Tier I Capital (%)	65.77%	62.85%
(iii) CRAR-Tier II Capital (%)	56.78%	52.98%
Amount of subordinated debt raised as Tier-II Capital	8.99%	9.87%
Amount raised by issue of Perpetual Debt instruments	-	-

48.3 Reserve Fund Under Section 29C of NHB Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserve fund u/s 29C of NHB Act, 1987	337.42	124.64
b) Amount of special reserve u/s 36(1)(viii) of income tax act 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act, 1987	316.27	286.02
c) Total	653.69	410.66

Addition/Appropriation/Withdrawal during the year

Add:

a) Amount transferred u/s 29C of the NHB Act, 1987

Current Year	-	-
Previous Year Short Created	342.70	212.78
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	19.85	30.25

Less:

a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987

b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987

Balance at the end of the year

a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	680.12	337.42
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the NHB Act, 1987	336.12	316.27
c) Total	1,016.24	653.69

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

48.4 Investments (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investments		
(i) Gross value of investments		
(a) In India	-	-
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	-	-
(b) Outside India	-	-
Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

48.5 Derivatives

48.5.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements		
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable
(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable
(iv) Concentration of credit risk arising from the swaps \$	Not Applicable	Not Applicable
(v) The fair value of the swap book @	Not Applicable	Not Applicable

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.

48.5.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable	Not Applicable
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument-wise)	Not Applicable	Not Applicable
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Not Applicable	Not Applicable

48.5.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

Company has no exposure in Derivatives. Hence Clause 51.5.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17th, 2021, is not Applicable

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

B. Quantitative Disclosure

(Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Currency	Interest Rate	Currency	Interest Rate
(i) Derivatives (Notional Principal Amount)	Derivatives	Derivatives	Derivatives	Derivatives
(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(a) Assets (+)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(b) Liability (-)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iii) Credit Exposure [2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(iv) Unhedged Exposures	Not Applicable	Not Applicable	Not Applicable	Not Applicable

48.6 Securitisation				
48.6.1 Particulars	As at March 31, 2025		As at March 31, 2024	
1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable		Not Applicable	
2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable		Not Applicable	
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet				
(i) Off-balance sheet exposures towards credit enhancements	Not Applicable		Not Applicable	
(ii) On-balance sheet exposures towards credit enhancements	Not Applicable		Not Applicable	
4. Amount of exposures to securitisation transactions other than MRR				
(i) Off-balance sheet exposures towards credit Enhancements	Not Applicable		Not Applicable	
a) Exposure to own securitizations	Not Applicable		Not Applicable	
b) Exposure to third party securitisations	Not Applicable		Not Applicable	
(ii) On-balance sheet exposures towards credit enhancements				
a) Exposure to own securitisations	Not Applicable		Not Applicable	
b) Exposure to third party securitisations	Not Applicable		Not Applicable	

*Only the SPVs relating to outstanding securitisation transactions may be reported here

48.6.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction				
Particulars	As at March 31, 2025		As at March 31, 2024	
(i) No. of accounts	Not Applicable		Not Applicable	
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable		Not Applicable	
(iii) Aggregate consideration	Not Applicable		Not Applicable	
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable		Not Applicable	
(v) Aggregate gain / loss over net book value	Not Applicable		Not Applicable	

48.6.3 Details of Assignment transactions undertaken by HFCs				
Particulars	As at March 31, 2025		As at March 31, 2024	
(i) No. of accounts	Not Applicable		Not Applicable	
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable		Not Applicable	
(iii) Aggregate consideration	Not Applicable		Not Applicable	
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable		Not Applicable	
(v) Aggregate gain / loss over net book value	Not Applicable		Not Applicable	

48.6.4 Details of non-performing financial assets purchased / sold				
A. Details of non-performing financial assets purchased:				
Particulars	As at March 31, 2025		As at March 31, 2024	
1. (a) No. of accounts purchased during the year				
(b) Aggregate outstanding	-		-	
2. (a) Of these, number of accounts restructured during the year	-		-	
(b) Aggregate outstanding	-		-	

B. Details of Non-performing Financial Assets sold:				
Particulars	As at March 31, 2025		As at March 31, 2024	
1. No. of accounts sold	-		-	
2. Aggregate outstanding	-		-	
3. Aggregate consideration received	-		-	



48.7 Asset Liability Management:

(Rs. in lakhs, except for share data and unless otherwise stated)

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2025

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	45.13	-	97.59	142.91	143.13	393.53	736.51	1,976.73	677.36	-	4,212.89
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
- FI	231.04	21.66	163.93	466.68	457.08	1,371.07	2,598.67	7,783.55	409.71	-	13,503.38
- NHB	64.47	-	-	-	-	31.83	250.87	-	-	-	347.17
Overdraft From Banks	-	-	-	-	-	-	716.18	-	-	-	716.18
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	177.56	389.05	355.12	859.89	657.74	4,992.60	16,298.82	5,564.44	2,596.32	1,090.06	32,981.60
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
	340.64										

Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	38.19	-	95.30	133.58	133.86	402.50	794.55	2,447.02	832.43	261.58	5,139.01
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
- FI	125.65	26.40	139.03	303.17	305.43	938.29	1,557.69	6,527.29	548.51	-	10,471.46
Overdraft From Banks	-	-	-	-	-	84.83	169.66	204.73	102.64	-	627.92
Foreign Currency Liabilities	-	-	-	-	-	-	2,003.58	-	-	-	2,003.58
Assets											
Advances	112.95	534.52	225.90	795.39	704.87	5,724.54	6,189.74	6,509.36	4,574.59	2,336.82	27,712.68
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-



(Rs. in lakhs, except for share data and unless otherwise stated)

48.8 Exposure

48.8.1 Exposure to Real Estate Sector

Particulars	As at March 31, 2025	As at March 31, 2024
Category		
A) Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	12,107.18	16,304.54
(i) Out of the above Individual Housing Loans up to Rs. 15.00 lakh	11,004.92	14,511.29
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	18.98	36.71
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	-
b) Commercial Real Estate	-	-
B) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	12,126.17	16,341.25

48.8.2 Exposure to Capital Market

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



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(Rs. in lakhs, except for share data and unless otherwise stated)

48.8.3 Details of financing of parent company products

No financing of parent company products is done.

48.8.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GSL) exceeded by the HFC

The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GSL). For this, higher of the sanctioned limit or entire outstanding is being reckoned for exposure limit.

48.8.5 Unsecured Advances

The Company did not finance projects (including infrastructure projects), thus treatment of the rights, licenses, authorisations, etc., charged to the HFCs as collateral in respect of such projects (including infrastructure projects) financed by the company, as in-tangible security and thus unsecured is not applicable.

- a. The company has no advances for which intangible securities such as charge over rights, licences, authority, etc has been taken as, also the estimated value of such intangible, collateral.
- b.

48.8.6 Exposure to group companies engaged in real estate business

Particulars	Current Year		Previous Year	
	Amount	% of Owned Fund	Amount	% of Owned Fund
(i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

49 Miscellaneous**49.1 Registration obtained from other financial sector regulators**

- Registration of the Company as LEI (Legal Entity Identifier) as required by RBI vide LEI no. 335800CZX-HLC3EY10948 valid till 17th August 2025.
- The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 2016

49.2 Disclosure of Penalties imposed by NHB and other regulators

- i) There is no penalty imposed by NHB or other regulator during AY 2024-25.
- ii) The Company, on the basis of regulatory inspection being conducted by National Housing Bank for the Financial Year ended 31.03.2020, has been imposed with the Penalty of Rs. 35,000/- + GST for contravention of the provisions of Section 29C of the NHB Act, 1987, Paragraph 2(1)(c), Paragraph 29(3) and paragraph 29(4) of the Housing Finance Companies (NHB) Directions, 2010, Paragraph 5(ii)(f) of the Housing Finance Companies- Corporate Governance (NHB) Directions, 2016, Policy Circular No. 92 and Misc. Circular No. 5. The said penalty was paid and charged to the statement of profit and loss account in the FY 2021-22.

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Related party Transactions													
Item	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management		Relations of Key Management Personnel		Others*		Total
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year
Transactions during the year													
Borrowings Taken	639.00	-	NA	NA	NA	NA	-	-	675.59	27.00	-	-	1,314.59
Borrowings Repaid	639.00	-	-	-	-	-	-	-	675.59	27.00	-	-	1,314.59
Deposits#	-	-	NA	NA	NA	NA	-	-	-	-	-	-	27.00
Placement of deposits#	-	-	NA	NA	NA	NA	-	-	-	-	-	-	-
Advances Given#	-	-	NA	NA	NA	NA	-	-	-	-	-	-	-
Investments#	-	-	NA	NA	NA	NA	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	NA	NA	NA	NA	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	NA	NA	NA	NA	-	-	-	-	-	-	-
Interest paid	14.13	-	NA	NA	NA	NA	-	-	31.13	0.19	-	-	45.26
Others	-	-	-	-	-	-	-	-	-	-	-	-	0.19
a Rent Paid	-	-	NA	NA	NA	NA	9.00	9.00	-	-	9.00	9.00	18.00
b Director Remuneration	-	-	NA	NA	NA	NA	68.56	46.88	-	-	-	-	68.56
c Salary	-	-	NA	NA	NA	NA	31.07	71.15	-	-	-	-	31.07
d Professional Charges	-	-	NA	NA	NA	NA	-	-	35.04	19.20	-	-	35.04
e Commission on Corporate Guarantee	7.63	10.90	NA	NA	NA	NA	-	-	-	-	-	-	7.63
f Allotment of equity shares	3,484.50	-	NA	NA	NA	NA	-	-	-	-	-	-	3,484.50



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49.4 Group Structure

Diagrammatic representation of group structure is provided under Board of Director's Report.

49.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating Agency	Rating	Date of Rating	Valid Till
Long Term Bank Facilities	CRISIL Ratings Limited	CRISIL BBB-/Stable	6th November 2024	5th November 2025

49.6 Remuneration of Directors

Detailed information furnished under Notes to Accounts (please refer Note No. 37)

49.7 Management

As provided in Board of Directors' Report.

49.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	Year ended March 31, 2025
Net Profit for the period (before tax)	
Prior Period Items	2,391.91
Changes in Accounting Policies	1.78
	Nil

49.9 Revenue Recognition

There is no deferment of revenue recognition.

49.10 Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements

Company has no subsidiary company. Hence, requirement of consolidated financial statements is not applicable to the company.

49.11 The Company did not entered into any Joint Venture and do not have any overseas subsidiaries.

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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

50 Additional Disclosures (Rs. in lakhs, except for share data and unless otherwise stated)

50.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2025	As at March 31, 2024
1. Provisions for depreciation on investment	-	-
2. Provision made towards Income tax	-	-
3. Provision towards NPA	533.88	407.97
4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	70.66	98.57
5. Provision for Sub-standard assets	126.01	99.14
6. Provision for Doubtful assets	8.87	31.45
7. Provision for Loss Assets*	50.42	55.76
8. Provision for Employee Benefits	11.38	11.38
	64.49	42.67
9. Other Provision and Contingencies (with details)	-	-

* Loss Assets due to identification of fraud during the FY 21-22.

Break up of Loan & Advances and Provisions thereon	As at March 31, 2025		As at March 31, 2024	
	Housing Loan	Non- Housing Loan	Housing Loan	Non- Housing Loan
Standard Assets				
a) Total Outstanding Amount	11,116.79	21,839.50	14,793.09	12,802.39
b) Provisions made	38.60	87.41	46.73	52.40
Sub-Standard Assets				
a) Total Outstanding Amount	28.21	4.47	142.42	15.08
b) Provisions made	7.65	1.22	28.45	3.00
Doubtful Assets – Category-I				
a) Total Outstanding Amount	120.14	9.74	96.95	15.68
b) Provisions made	27.39	2.30	31.44	5.11
Doubtful Assets – Category-II				
a) Total Outstanding Amount	29.55	9.76	21.49	11.93
b) Provisions made	9.02	3.00	12.24	6.97
Doubtful Assets – Category-III				
a) Total Outstanding Amount	8.48	0.23	-	-
b) Provisions made	8.48	0.23	-	-
Loss Assets				
a) Total Outstanding Amount	11.07	0.30	11.07	0.30
b) Provisions made	11.07	0.30	11.07	0.30

50.1.a The Total Outstanding Amount means Principal + Accrued Interest on Standard Assets + Accrued Interest computed on amount net of provision on other than Standard Assets + Other Charges due and recognised as Income.

50.1.b The Category of Doubtful Assets will be as under :

Period for which the assets has been considered as doubtful	Category
Up to one year	Category- I
One to three years	Category- II
More than three years	Category- III

Details of Movement in Provisions:

Particulars	Opening Balance As at April 01, 2024	Provisions made during the year	Provisions adjusted/ Reversed	Closing Balance As at March 31, 2025
Taxation (Current Tax)	407.97	533.88	407.97	533.88
Standard Assets	99.14	126.01	99.14	126.01
Sub-Standard Asset	31.45	67.36	89.95	8.86
Doubtful Asset	55.76	-	5.34	50.42
Loss Asset	11.38	-	-	11.38
Employee Benefits	42.67	21.82	-	64.49

50.2 Draw Down from Reserves

Company has not drawn any amount from reserves.

50.3 Concentration of Public Deposits, Advances, Exposures and NPAs

50.3.1 Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable



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NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

50.3.2 Concentration of Loans & Advances (Rs. in lakhs, except for share data and unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Total loans & advances to twenty largest borrowers	586.36	583.88
Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	1.77%	2.09%

Note:

Total loans & advances to twenty largest borrowers is considered on the basis of Higher of Sanction or Outstanding. Amount and percentage of Total loans & advances to twenty largest borrowers is calculated taking Outstanding.

50.3.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/customers	586.36	583.88
Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	1.76%	2.08%

Note:

Total Exposure is taken on the basis of Sanction or Outstanding which ever is higher.

50.3.4 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top ten NPA accounts	83.20	125.70
Total exposure to NPA accounts	221.98	314.92

50.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans:		
1. Individuals	1.75%	1.81%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
B. Non-Housing Loans:		
Loan Against Property		
1. Individuals	3.02%	3.37%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Shares		
1. Individuals	Nil	Nil
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil
Loan Against Collateral of Gold Jewellery		
1. Individuals	0.00%	0.00%
2. Builders/Project Loans	Nil	Nil
3. Corporates	Nil	Nil
4. Others (specify)	Nil	Nil

50.4 Movement of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%)	0.46%	0.78%
(II) Movement of NPAs (Gross)		
a) Opening balance	314.92	249.16
b) Additions during the year	158.24	186.67
c) Reductions during the year	251.19	120.91
d) Closing balance	221.97	314.92
(III) Movement of Net NPAs		
a) Opening balance	216.34	194.11
b) Additions during the year	165.48	122.80
c) Reductions during the year	230.51	100.57
d) Closing balance	151.31	216.34
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	98.58	55.05
b) Provisions made during the year	67.36	63.87
c) Write-off/write-back of excess provisions	95.28	20.34
d) Closing balance	70.66	98.58



(Rs. in lakhs, except for share data and unless otherwise stated)

50.5 Overseas Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Overseas Assets	-	-

50.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

50.7 Disclosure regarding percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Loan Outstanding against Collateral of Gold Jewellery	21,052.11	11,569.16
Gross Total Loans Outstanding	33,178.27	27,910.40
Percentage of outstanding loans granted against the collateral gold jewellery to outstanding total assets	63.45%	41.45%

51. Disclosure of Complaints

Customers Complaints

(In Numbers)

Particulars	As at March 31, 2025	As at March 31, 2024
a) No. of complaints pending at the beginning of the year	-	1
b) No. of complaints received during the year	4	3
c) No. of complaints redressed during the year	4	4
d) No. of complaints pending at the end of the year	-	-

52 Fraud Cases

52.1

Particulars	As at March 31, 2025		As at March 31, 2024	
	No.	Outstanding Amount	No.	Outstanding Amount
Opening Loans Account detected as Fraud	1	11.38	2	19.08
Additional Loan Accounts detected as Fraud during the Year	-	-	1	7.00
Amount Recovered during the year	-	-	2	14.70
Loan Accounts Written Off During The Year	-	-	-	-
Closing Loans Account detected as Fraud	1	11.38	1	11.38
Provision Created	-	11.38	-	11.38

53 Disclosure in pursuant to Guidelines for Entry of Housing Finance Companies into Insurance Business:

53.1 The Company is not engaged in the business of Insurance Agency.

54 During the year:

54.1 The company has taken an unsecured loan from a Non- Banking Financial Company which is repayable on demand.

54.2 No prior period items occurred which has impact on profit and loss account.

54.3 No change in any accounting policy.

54.4 There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

54.5 There was no withdrawal from Reserve fund.

54.6 Company has not accepted public deposits.

54.7 The company do not have an exposure to teaser rate loans.

55 Event occurring after Balance sheet Date :

55.1 The Company has changed its name from IFL Housing Finance Limited to IFL Finance Limited as required by Reserve Bank of India (RBI). A new Certificate of Incorporation reflecting the updated name was issued on 8th April 2025. Additionally, the original Certificate of Registration (CoR) as a Housing Finance Company, issued in the name of IFL Housing Finance Limited, was submitted to the RBI Delhi Office on 9th April 2025 for the issuance of a new CoR under the Company's revised classification as NBFC-ICC

56 The Company has complied with all the prudential norms prescribed by RBI and/or NHB on income recognition, Indian accounting standards, assets classification, provisions for bad & doubtful debts, capital adequacy and credit/investment concentration.

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IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)

CIN: U65910DL2015PLC285284

NOTES ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2025

57. The Additional Regulatory Information, to the extent not applicable on the Company, has not been reported.

58. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N



CA. Varun Garg

Partner

Membership No. 523588



New Delhi, the 22nd day of May, 2025

UDIN- 255 235 88 BMJMMR 9556

For and on behalf of the Board of Directors of
IFL FINANCE LIMITED (Formerly known as IFL HOUSING FINANCE LIMITED)



Gopal Bansal

Managing Director

DIN: 01246420



Sunita Bansal

Director

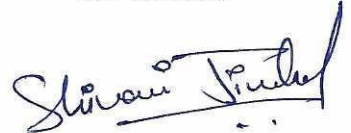
DIN: 02801660



Prerna Matta Arora

CFO

PAN: BAMPM7263C



Shivani Jindal

Company Secretary

PAN: BSNPJ5687C



Annexure- VIII

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF BOARD OF DIRECTORS OF M/S IFL FINANCE LIMITED (FORMERLY KNOWN AS IFL HOUSING FINANCE LIMITED) HELD ON TUESDAY, 18TH DAY OF NOVEMBER, 2025, COMMENCED AT 02:30 P.M. AND CONCLUDED AT 03:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT D-16, FIRST FLOOR, ABOVE ICICI BANK, PRASHANT VIHAR, SECTOR-14, ROHINI, DELHI-110085

"RESOLVED THAT 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("INR"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("Debentures"), issued on a private placement basis, on the terms and conditions set out in the general information document dated November 11, 2025 read with the key information document and the private placement offer and application letter dated November 18, 2025, each issued by the Company, and the debenture trust deed dated November 18, 2025 ("DTD") executed between the Company and Catalyst Trusteeship Limited ("Debenture Trustee"), in respect of the Debentures, be and are hereby allotted to the entity(ies) specified below (the "Allottee(s)") on the deemed date of allotment, being November 18, 2025 ("Deemed Date of Allotment"), as follows:

PARTICULARS OF THE DEBENTURES	NO. OF DEBENTURES	FACE VALUE	TENOR	RATE OF INTEREST	DEBENTURE HOLDER(S)/ ALLOTTEE(S)
Listed, rated, senior, secured, transferable, redeemable, non-convertible debentures	19,980 (nineteen thousand nine hundred and eighty)	INR 10,000 (Indian Rupees Ten Thousand) per Debenture	Commencing from the Deemed Date of Allotment and expiring on the date occurring on the expiry of a period of 24 (twenty four) months from the Deemed Date of Allotment, subject to any early/voluntary/accelerated	12.25% (twelve decimal two five percent) per annum (fixed), payable monthly, in accordance with the terms of the DTD	1. Byramjee Jeejeebhoy Pvt Ltd. 2. LC Capital India Private Limited 3. Blue Ashva India LLP 4. Gripvest Asset LIX LLP 5. Grip Broking Pvt. Ltd. 6. Pirg Asset LI LLP

IFL FINANCE LIMITED (Formerly Known as IFL Housing Finance Ltd.)

D-16, First Floor, above ICICI Bank, Prashant Vihar, Sector-14,

Rohini, New Delhi - 110085 | CIN : U65910DL2015PLC285284

Tel: 011-47096097, 8595010101 | E-mail id: info@iflfinanceltd.com | Website: www.iflfinanceltd.com

PARTICULARS OF THE DEBENTURES	NO. OF DEBENTURES	FACE VALUE	TENOR	RATE OF INTEREST	DEBENTURE HOLDER(S)/ ALLOTTEE(S)
			ted redemption in accordance with the terms of the DTD		7. Grip Invest Technologies Private Limited

RESOLVED FURTHER THAT the Company be and is hereby authorised to enter the names of the Allottee(s) in the Register of Debenture Holders of the Company as the holders of the Debentures, and, Mr. Gopal Bansal, the Managing Director or Ms. Shivani Jindal, the Company Secretary of the Company ("**Authorised Persons**") be and are hereby severally authorised, to enter the name of the Allottee(s) in the Register of Debenture Holders of the Company and to undertake such other acts, deeds and things as may be required to give effect to the allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised, to do all other acts, deeds and things in connection with the allotment of the Debentures, including without limitation, the issue and delivery of letters of allotment (if required), issuing debenture certificate(s) (if required), payment of stamp duty in respect of the Debentures, filing return of allotment with the jurisdictional registrar of companies, and to do all other acts, deeds and things which may be necessary or expedient to implement these resolutions.

RESOLVED FURTHER THAT the copies of the foregoing resolutions certified to be true copies by any director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary."

/CERTIFIED TRUE COPY/

For IFL Finance Limited

(Formerly known as IFL Housing Finance Limited)

For IFL FINANCE LIMITED

For IFL FINANCE LIMITED


Director
Gopal Bansal
Managing Director
DIN: 01246420


Director
Sunita Bansal
Whole-time Director
DIN: 02801660

Ref. No.: NSE/LIST/9742

November 13, 2025

The Company Secretary
IFL Finance Limited
D-16, First Floor,
Above ICICI Bank Prashant Vihar,
Sector-14, Rohini, New Delhi, India, 110085

Dear Sir/Madam,

Sub.: In-principle approval for listing of Non-Convertible Securities on private placement basis

This is with reference to your application requesting in-principle approval for General Information Document dated November 11, 2025 for proposed listing of Non-Convertible Securities on private placement basis to be issued in various tranches by IFL Finance Limited. In this regard, the Exchange is pleased to grant in-principle approval for the said issue, subject to adequate disclosures to be made in the General Information Document / Key Information Document in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars and other applicable laws in this regard and provided the Company prints the Disclaimer Clause as given below in the General Information Document / Key Information Document after the SEBI disclaimer clause:

“As required, a copy of this General Information Document / Key Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). It is to be distinctly understood that the aforesaid submission or in-principle approval given by NSE vide its letter via ref. No.: NSE/LIST/9742 dated November 13, 2025 or hosting the same on the website of NSE in terms of SEBI (Issue And Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, should not in any way be deemed or construed that the document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever”

Please note that the approval given by us should not in any way be deemed or construed that the General Information Document / Key Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any

Ref. No.: NSE/LIST/9742

November 13, 2025

responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

The in-principle approval granted by the Exchange is subject to the below:

1. the Issuer shall submit to the Exchange prior to opening of the issue and at the time of listing, a valid credit rating letter/rationale covering the total issuance amount under the Key Information Document.
2. these Non-Convertible Securities may be listed on the Exchange after the allotment process has been completed, provided these securities of the issuer are eligible for listing on the Exchange and the issuer fulfills the listing requirements of the Exchange.
3. the Issuer shall ensure compliance with all the applicable guidelines issued by appropriate authorities from time to time including SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, applicable SEBI Circulars, and other applicable laws in this regard.

Specific attention is drawn towards Para 1 of Chapter XV of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. Accordingly, Issuers of privately placed debt securities in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of allotment of securities. The details can be uploaded using the following links:

<https://www.nse-ebp.com>

<https://www.nseebp.com/ebp/rest/reportingentity?new=true>

This in-principle approval shall be valid for a period of one year from the date of opening of the first issue of securities under this General Information Document. Kindly note that such first issue of securities under this General Information Document should be opened within one year from the date of this letter.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/Rule/Bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Yours faithfully,

For National Stock Exchange of India Limited

Bansri Gosalia

Senior Manager



सत्यमेव जयते

INDIA NON JUDICIAL

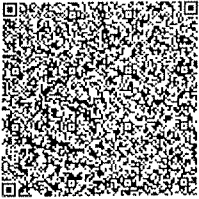
Government of National Capital Territory of Delhi

₹200

e-Stamp

Certificate No. : IN-DL79914525143524X
 Certificate Issued Date : 24-Oct-2025 05:10 PM
 Account Reference : IMPACC (IV)/ dl783903/ DELHI/ DL-CTD
 Unique Doc. Reference : SUBIN-DLDL78390388803004829132X
 Purchased by : IFL Finance Limited
 Description of Document : Article 5 General Agreement
 Property Description : Not Applicable
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : IFL Finance Limited
 Second Party : Catalyst Trusteeship Limited
 Stamp Duty Paid By : IFL Finance Limited
 Stamp Duty Amount(Rs.) : 200
 (Two Hundred only)

सत्यमेव जयते



Please write or type below this line

"This Stamp paper forms an integral part of the
 debenture trustee agreement dated 25th October, 2025
 entered into between IFL Finance Limited (formerly known as
 IFL Housing Finance Limited) and Catalyst Trusteeship Limited
 (as the debenture Trustee)"

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

For IFL FINANCE LIMITED

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

FOR IFLEFINANCE LIMITED

Authorized Signatory

DEBENTURE TRUSTEE AGREEMENT

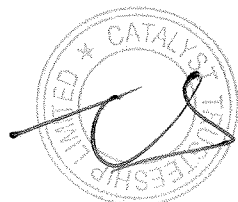
OCTOBER 25, 2025

BETWEEN

IFL FINANCE LIMITED
(FORMERLY KNOWN AS IFL HOUSING FINANCE LIMITED)
as the **Company**

AND

CATALYST TRUSTEESHIP LIMITED
as the **Debenture Trustee**

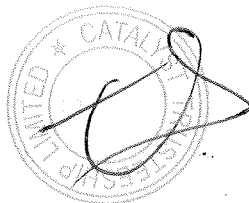


For IFL FINANCE LIMITED

Authorised Signatory

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	SCHEDULE II - FEE LETTER.....	16
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For IFL FINANCE LIMITED


Authorised Signatory

DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("**Agreement**") is made at New Delhi, India on October 25, 2025 ("**Effective Date**") between:

1. **IFL FINANCE LIMITED (Formerly known as IFL Housing Finance Limited)**, a company incorporated under the Companies Act, 2013 with corporate identification number ("**CIN**") U65910DL2015PLC285284 and a non-banking financial company registered with the Reserve Bank of India, and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, North West Delhi, New Delhi - 110085, India (hereinafter referred to as the "**Company**", which expression shall include its successors and permitted assigns wherever the context or meaning shall so require or permit);

AND

2. **CATALYST TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 1956 with CIN U74999PN1997PLC110262, having its registered office at GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune, Maharashtra - 411038, India, and acting through its office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001, India (hereinafter referred to as the "**Debenture Trustee**", which expression shall include its successors and permitted assigns wherever the context or meaning shall so require or permit).

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

- A. Pursuant to the authority granted by the shareholders resolutions, each dated September 29, 2022 under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 ("**Act**" or "**Companies Act**"), and the resolution dated October 10, 2025 of the board of directors of the Company, the Company proposes to issue 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("**Debentures**") at par, in dematerialized form on a private placement basis to certain identified investors ("**Issue**"). SKI Capital Services Limited, a Category I merchant banker registered with the SEBI (as defined below) has been appointed as the merchant banker for the purposes of this issuance in terms of the SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 3, 2024 on "*Reduction in denomination of debt securities and non-convertible redeemable preference shares*".
- B. The Debentures are proposed to be issued on a private placement basis in accordance with the provisions of the Companies Act, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 ("**SEBI Debenture Trustees Regulations**"), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), each as amended, modified or restated from time to time.



For IFL FINANCE LIMITED

Authorised Signatory

- C. Pursuant to the SEBI NCS Regulations, the Companies Act and the bye-laws of BSE Limited ("**BSE**"), the Company is required to appoint a debenture trustee for the benefit of the debenture holders and the debenture trustee shall act in accordance with the provisions of the SEBI Debenture Trustees Regulations. Accordingly, the Company has approached Catalyst Trusteeship Limited to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("**Debenture Holders**") and Catalyst Trusteeship Limited has agreed to act as the debenture trustee for the benefit of the Debenture Holders on the terms and conditions agreed upon and set out hereinafter. The Debenture Trustee is registered with the Securities and Exchange Board of India ("**SEBI**") as a debenture trustee under the SEBI Debenture Trustees Regulations.
- D. The Company has submitted/proposes to submit a list of documents/details required to be submitted to the BSE in accordance with the SEBI NCS Regulations for the purposes of listing of the Debentures on the wholesale debt market segment of the BSE.
- E. The detailed terms and conditions in relation to the rights, duties and obligations of the Debenture Trustee and the terms and conditions of the Debentures, and the security/contractual comfort to be created/provided in respect of the Debentures, shall be more specifically set out in the debenture trust deed ("**DTD**") to be entered into between the Company and the Debenture Trustee, and the general information document dated on or about the Effective Date ("**General Information Document**") and the key information document and private placement offer and application letter prepared in accordance with Section 42 of the Companies Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("**Key Information Document**"), each issued or to be issued by the Company and circulated to potential investors. The General Information Document and Key Information Document are collectively referred to as the "**Debt Disclosure Documents**".
- F. The Parties have agreed to enter into this debenture trustee agreement to record the terms of appointment of the Debenture Trustee.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

OPERATIVE TERMS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised terms used herein and not otherwise defined shall have the meanings given to them in the DTD and/or the Debt Disclosure Documents. In this Agreement, the following terms have the following meanings:

- (1) "**Act**" or "**Companies Act**" has the meaning given to it in Recital A above.
- (2) "**BSE**" has the meaning given to it in Recital C above.
- (3) "**CERSAI**" means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
- (4) "**Debenture Holders**" has the meaning given to it in Recital C above.
- (5) "**Debentures**" has the meaning given to it in Recital A above.

For IFL FINANCE LIMITED

Page 2

Authorised Signatory

- (6) **"Debt Disclosure Documents"** has the meaning given to it in Recital E above.
- (7) **"Deed of Hypothecation"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (8) **"Deemed Date of Allotment"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (9) **"Designated Agent"** means Grip Invest Technologies Private Limited and/or such of its affiliates as identified by it.
- (10) **"DTD"** has the meaning given to it in Recital E above.
- (11) **"Events of Default"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (12) **"Final Settlement Date"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (13) **"Financial Year"** means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
- (14) **"General Information Document"** has the meaning given to it in Recital E above.
- (15) **"Green Shoe Option"** has the meaning given to it in Recital A above.
- (16) **"INR"** has the meaning given to it in Recital A above.
- (17) **"Issue"** has the meaning given to it in Recital A above.
- (18) **"Key Information Document"** has the meaning given to it in Recital E above.
- (19) **"Personal Guarantees"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (20) **"Personal Guarantors"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (21) **"Quarterly Date"** means each of March 31, June 30, September 30 and December 31 of a calendar year, and **"Quarterly Dates"** shall be construed accordingly.
- (22) **"Recovery Expense Fund"** means the recovery expense fund established/to be established and maintained by the Company in accordance with the provisions of Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular.
- (23) **"SEBI"** has the meaning given to it in Recital C above.
- (24) **"SEBI Debenture Trustees Master Circular"** means the master circular issued by SEBI bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025 on *"Master Circular for Debenture Trustees"* to the extent applicable

For IFL FINANCE LIMITED

in respect of the private placement of debt securities, as amended, modified, or restated from time to time.

- (25) **"SEBI Debenture Trustees Regulations"** has the meaning given to it in Recital B above.
- (26) **"SEBI Listed Debentures Circulars"** means, collectively, the SEBI Listed NCDs Master Circular, the SEBI Debenture Trustees Master Circular, and (to the extent applicable) the SEBI LODR Master Circular.
- (27) **"SEBI Listed NCDs Master Circular"** means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025 on *"Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper"* to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.
- (28) **"SEBI LODR Master Circular"** means the master circular issued by SEBI bearing reference number SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 on *"Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities"* to the extent applicable in respect of the private placement of debt securities, read with the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025 on *"Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitised Debt Instruments and/ or Commercial Paper"*, each as amended, modified, or restated from time to time.
- (29) **"SEBI LODR Regulations"** has the meaning given to it in Recital B above.
- (30) **"SEBI NCS Regulations"** has the meaning given to it in Recital B above.
- (31) **"Transaction Documents"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.
- (32) **"Transaction Security"** has the meaning given to it in the DTD and/or the Debt Disclosure Documents.

1.2 Interpretation

Clause 1.2 (*Interpretation*) of the DTD is deemed to be incorporated in this Agreement *mutatis mutandis* as if set out herein.

1.3 Conflicts

Clause 1.3 (*Conflicts*) of the DTD is deemed to be incorporated in this Agreement *mutatis mutandis* as if set out herein.

1.4 Designated Agent

Clause 1.4 (*Designated Agent*) of the DTD is deemed to be incorporated in this Agreement *mutatis mutandis* as if set out herein.

2. APPOINTMENT AND FEES OF THE DEBENTURE TRUSTEE

- 2.1 The Company hereby appoints Catalyst Trusteeship Limited as the debenture trustee on behalf of and for the benefit of the Debenture Holders in respect of the Debentures to be issued by the Company and the Debenture Trustee hereby agrees to act as the debenture trustee for the benefit of the Debenture Holders and to hold the security created/to be created to secure the Debentures, on behalf of and for the benefit of the Debenture Holders.
- 2.2 The Company shall pay to the Debenture Trustee, so long as it holds the office of the debenture trustee, remuneration for its services in accordance with the fee letter bearing reference number CL/DEB/25-26/1538 and dated October 10, 2025 (a copy of which is enclosed in Schedule II), in addition to all legal, traveling and other costs, charges and expenses (with prior intimation to the Company) which the Debenture Trustee or its officers, employees or agents may incur in relation to execution of the DTD and all other Transaction Documents. The Company will pay interest on the arrears of the abovementioned amounts at 16% (sixteen percent) per annum or the relevant rate prescribed in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (whichever is higher), compounded on a quarterly basis, calculated from the date on which any amount is payable under the relevant invoice until the day such amounts are actually paid by the Company.

3. OBLIGATIONS OF THE COMPANY

- 3.1 The Company shall comply with, and furnish such information on a regular basis as is required under the provisions of the Companies Act, the SEBI Debenture Trustees Regulations, the SEBI NCS Regulations, the SEBI Listed Debentures Circulars, Section I-A of the SEBI LODR Master Circular on Uniform Listing Agreement read with the SEBI LODR Regulations, and other Applicable Law until the Final Settlement Date.
- 3.2 The Company shall, prior to the making of the application for the listing of Debentures with BSE or within such other time period as may be prescribed by the Debenture Trustee/Debenture Holders:
- (a) execute the DTD setting out therein, the detailed terms and conditions of the Debentures including the rights, duties and obligations of the Company and the Debenture Trustee;
 - (b) execute the Deed of Hypothecation and create the Transaction Security to secure the Debentures in a form and manner satisfactory to the Debenture Trustee and the Debenture Holders; and
 - (c) ensure and procure that the Personal Guarantees is provided by each Personal Guarantor in favour of the Debenture Trustee, in a form and manner satisfactory to the Debenture Trustee and the Debenture Holders;
 - (d) execute each other Transaction Document (other than as set out in sub-Clauses (a) to (c) above) and such other documents as may be required for the issuance of Debentures and creation of security/contractual comfort to secure the Debentures in accordance with the Transaction Documents.
- 3.3 The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the jurisdictional registrar of companies, the

SEBI and the BSE and obtain all consents and approvals required for the completion of the Issue. The Company will provide all information and assistance that the Debenture Trustee may require in relation to any filings to be made with the CERSAI, and will ensure and procure that the Debenture Trustee has all information and assistance necessary to make the required filings to the CERSAI within the time period prescribed under Applicable Law.

- 3.4 This Agreement is entered into in compliance with the provisions of the Companies Act, the SEBI Debenture Trustees Regulations, the SEBI NCS Regulations, the SEBI Listed Debentures Circulars, Section I-A of the SEBI LODR Master Circular on Uniform Listing Agreement read with the SEBI LODR Regulations, and all other Applicable Law.
- 3.5 The Company shall comply with all covenants, undertakings and requirements set out in Schedule I (*Listing and Monitoring Requirements*) below.
- 3.6 The Company shall furnish to the Debenture Trustee, all documents/information about or in relation to the Company, as may be reasonably requested by the Debenture Trustee (including pursuant to the DTD) to fulfil its obligations hereunder or to comply with any Applicable Law.
- 3.7 The Debenture Trustee "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the amounts invested by the Debenture Holders for the subscription of the Debentures.
- 3.8 All other rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the DTD.
- 3.9 The Company shall comply with all covenants, undertakings and requirements set out in Transaction Documents until the Final Settlement Date.

3A. INFORMATION ACCURACY AND STORAGE


- 3A.1 The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct and that the Debenture Trustee may in good faith rely upon the same and shall not be liable for acting or refraining from acting upon such information or data furnished to it under this Agreement.
- 3A.2 The Company confirms that the requisite disclosures made in the Debt Disclosure Documents are true and correct.
- 3A.3 All disclosures made in the Debt Disclosure Documents with respect to creation of security conform to the provisions of this Agreement and the other Transaction Documents.
- 3A.4 The Company undertakes and acknowledges that the Debenture Trustee and any agency authorized by the Debenture Trustee may use, process the information and data disclosed to the Debenture Trustee in relation to the Debentures in the manner as deemed fit by them in relation to the issuance of the Debentures.

4. MISCELLANEOUS

4.1 Governing Law

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed in accordance with the laws of India.

For IFL FINANCE LIMITED


Authorized Signatory

4.2 Jurisdiction

- (a) The Company agrees that the courts and tribunals at New Delhi, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this Agreement may be brought in such courts or tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.
- (b) The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at New Delhi, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Company further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at New Delhi, India shall be conclusive and binding upon them and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided under Applicable Law.
- (c) Nothing contained in this Clause 4.2 (*Jurisdiction*), shall limit any right of the Debenture Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- (d) The Company hereby consents generally in respect of any Proceedings arising out of or in connection with this Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (e) The Company irrevocably agrees that, should any Party take any Proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with this Agreement), no immunity (to the extent that they may at any time exist, whether on the grounds of sovereignty or otherwise) from those Proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or with respect to its assets, any such immunity being irrevocably waived. The Company irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations.

4.3 Effectiveness

This Agreement shall be effective on and from the Effective Date and shall be in force until the Final Settlement Date.

For IFL FINANCE LIMITED

4.4 Counterparts

This Agreement may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.

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For IFL FINANCE LIMITED.


Authorised Signatory



SCHEDULE I

LISTING AND MONITORING REQUIREMENTS

1. Monitoring

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

- (a) a security cover certificate on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Debenture Trustees Master Circular;
- (b) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (c) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law;
- (d) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law;
- (e) (to the extent applicable) the financials/value of the guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each Financial Year or such other timelines as may be prescribed under Applicable Law; and
- (f) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

For IFL FINANCE LIMITED

Authorised Signatory

2. Recovery Expenses Fund

- (a) The Company hereby undertakes and confirms that, if so required under Applicable Law, it shall, within the time period prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, establish, maintain and utilize the Recovery Expense Fund in such manner/mode as is prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular, to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security under the Transaction Documents.
- (b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.
- (c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund shall remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) Business Days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.
- (d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Majority Debenture Holders for enforcement of the security and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under Chapter IV (*Recovery Expenses Fund*) of the SEBI Debenture Trustees Master Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of the security under the Transaction Documents.
- (e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

3. Filings; Compliance with BSE Requirements

The Company hereby further agrees, declares and covenants with the Debenture Trustee that the Company shall comply with the relevant provisions of the SEBI LODR Regulations applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations.

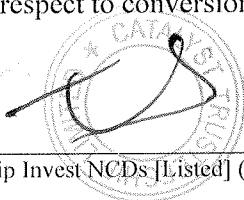
4. Due Diligence

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

For IFL FINANCE LIMITED

Authorised Signatory

- (i) the Debenture Trustee either through itself or its agents /advisors/consultants shall carry out due diligence on initial and on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, SEBI LODR Regulations, the SEBI NCS Regulations, the SEBI Listed Debentures Circulars, the SEBI Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;
 - (ii) for the purposes of carrying out the due diligence as required in terms of the SEBI Listed Debentures Circulars, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee; and
 - (iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in the DTD) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.
- (b) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the Transaction Security created/assets on which security interest/ charge is created, which shall, *inter alia*, include:
- (i) periodical status/ performance reports from the Company within 7 (seven) days of the relevant board meeting of the Company or within 45 (forty five) days of the respective quarter, whichever is earlier;
 - (ii) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
 - (iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve and Recovery Expense Fund;
 - (iv) details with respect to the assets of the Company and of the guarantors (if any) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
 - (v) reports on the utilization of funds raised by the issue of Debentures;
 - (vi) details with respect to conversion or redemption of the Debentures;



For IFL FINANCE LIMITED

- (vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the Applicable Law;
 - (viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
 - (ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
 - (x) (to the extent applicable) certificate from the statutory auditors of the Company (A) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (B) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
 - (xi) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.
- (c) Without prejudice to any other provision of this Agreement and the other Transaction Documents, the Company shall:
- (i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
 - (ii) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of security cover in accordance with the terms of the Debt Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Documents and the other Transaction Documents in the manner as may be specified by SEBI from time to time;
 - (iii) submit the following reports/certification to the Debenture Trustee within the timelines mentioned below:

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/ CERTIFICATIONS BY DEBENTURE TRUSTEE
Security cover certificate	Quarterly basis within 45 (forty five) days from each Quarterly Date or	Quarterly basis within 75 (seventy five) days from each Quarterly Date (other than
(to the extent applicable) A statement of value of pledged securities		

For IFL FINANCE LIMITED

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/ CERTIFICATIONS BY DEBENTURE TRUSTEE
(to the extent applicable) A statement of value for debt service reserve account or any other form of security offered	within such timelines as may be agreed between the Company and the Debenture Trustee.	March 31 of the relevant Financial Year) and within 90 (ninety) days from March 31 of the relevant Financial Year or such other timelines as may be prescribed under Applicable Law, and, where applicable, in the format prescribed in the SEBI Debenture Trustees Master Circular.
(to the extent applicable) Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 60 (sixty) days from the end of each half-year or within such timelines as may be agreed between the Company and the Debenture Trustee.	Half yearly basis within 75 (seventy five) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.
(to the extent applicable) Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor (secured by way of corporate guarantee)	Annual basis within 45 (forty five) days from the end of each Financial Year or within such timelines as may be agreed between the Company and the Debenture Trustee.	Annual basis within 75 (seventy five) days from the end of each Financial Year or such other timelines as may be prescribed under Applicable Law.
(to the extent applicable) Valuation report and title search report for the immovable/movable assets, as applicable	Within such timelines as prescribed under Applicable Law or within such timelines as may be agreed between the	Once in 3 (three) years, within 75 (seventy five) days from the end of the Financial Year or such other timelines as may be prescribed under Applicable Law.

For IFL FINANCE LIMITED

REPORTS/CERTIFICATES	TIMELINES FOR SUBMISSION REQUIREMENTS TO THE DEBENTURE TRUSTEE	TIMELINE FOR SUBMISSION OF REPORTS/ CERTIFICATIONS BY DEBENTURE TRUSTEE
	Company and the Debenture Trustee.	

- (iv) comply with all requirements applicable to it under the SEBI Debenture Trustees Master Circular, and provide all documents/information as may be required in accordance with the SEBI Debenture Trustees Master Circular.

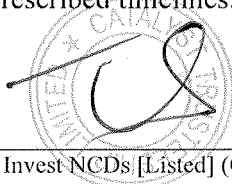
5. Forensic Audit

In case of initiation of forensic audit (by whatever name called) in respect of the Company, the Company shall provide following information and make requisite disclosures to the stock exchanges:

- (a) the details of initiation of forensic audit along-with name of entity initiating the audit and reasons for such forensic audit, if available; and
- (b) the final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management of the Company, if any.

6. Others

- (a) The Company shall ensure due compliance and adherence to the SEBI Listed Debentures Circulars in letter and spirit.
- (b) To the extent applicable and required in terms of Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under Chapter X (*Breach of Covenants, Default and Remedies*) of the SEBI Debenture Trustees Master Circular.
- (c) To the extent required/applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).
- (d) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

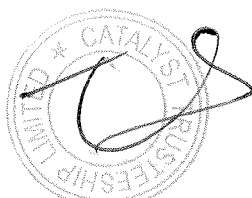


For IFL FINANCE LIMITED

 Authorised Signatory

- (e) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under Chapter III (*Security and Covenant Monitoring System*) of the SEBI Debenture Trustees Master Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents.

For IFL Finance Limited
Authorized Signatory



For IFL FINANCE LIMITED


Authorized Signatory

**SCHEDULE II
FEE LETTER**

CATALYST
Believe in yourself... Trust us!



CL/DEB/25-26/1538

Date: 10-Oct-2025

To,

IFL FINANCE LTD,
D-16, First Floor, Prashant Vihar, Sector-14,
Rohini, Delhi, New Delhi, Delhi, India 110085.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures aggregating upto ₹ 20.00 Crores

We refer to your letter dated 10.10.2025, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,



Name : Priti Shetty

Designation : Assistant Vice President

CATALYST TRUSTEESHIP LIMITED (STANDARD & POOR'S TRUSTEESHIP LIMITED)

AN ISO 9001 COMPANY

Mumbai Office : 14th Floor, 301, 302 Floor, Tower B, Parkview Business Park, Borewell Road, Borewell, Lower Parel (M), Mumbai - 400032. Tel : +91 (022) 4873 8958. Fax : +91 (022) 4873 8959.

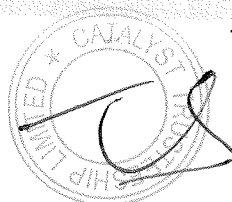
Rajiv Office : 10th Floor, Plot No. 25, Khushi Colony (Rajiv), Plot Road, Plot No. 4/1/1/3. Tel : +91 (022) 2610 0099. Fax : +91 (022) 2610 0077.

Delhi Office : Office No. 211, 8th Floor, Catalyst Building 20, Anandani Garden (Delhi), New Delhi - 110029. Tel : +91 (011) 2610 0099.

Delhi Office : Office No. 211, 8th Floor, Catalyst Building 20, Anandani Garden (Delhi), New Delhi - 110029. Tel : +91 (011) 2610 0099.

Delhi Office : Office No. 211, 8th Floor, Catalyst Building 20, Anandani Garden (Delhi), New Delhi - 110029. Tel : +91 (011) 2610 0099.

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For IFL FINANCE LIMITED

Authorised Signatory

Annexure A

Fee Structure for transaction CL/DEB/25-26/1538

PARTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 40,000.00
Annual Trusteeship Fees (Amount)	₹ 40,000.00

Annual Fees is payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable and the taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited

For IFL Finance Ltd



Name : Priti Shetty

Designation : Assistant Vice President



Name : Mr. Gopal Bansal

Designation : Managing Director

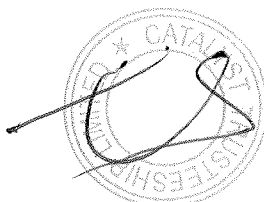


CATALYST TRUSTEESHIP LIMITED (FORMERLY CATALYST TRUSTEESHIP LIMITED)
 Mumbai Office : Plot No. 201, 201 Floor, Tower B, Naraina Business Park, Naraina Sector 15, New Delhi (IN) - 110028. Tel: +91 (011) 4222 8255 Fax: +91 (011) 4222 8255
 Regd. Office : 201A House, Plot No. 40, New Delhi Colony (Right), Phase II, New Delhi - 110016. Tel: +91 (011) 23246001 Fax: +91 (011) 23246215
 Delhi Office : Office No. 812, 8th Floor, Noida Building 20, Noida Sector 18, Noida - 201301. Tel: +91 (011) 4222 8255
 Cat No: 0747927100714116202 Email: support@cat.com Website: www.catalysttrust.com
 Pune | Mumbai | Bangalore | Delhi | Chennai



For IFL FINANCE LIMITED

Authorised Signatory



SIGNATURE PAGE

IN WITNESS WHEREOF the Company and the Debenture Trustee have caused this debenture trustee agreement to be executed by their respective authorised signatory(ies) on the Effective Date.

SIGNED AND DELIVERED BY)
IFL FINANCE LIMITED)
(FORMERLY KNOWN AS IFL HOUSING)
FINANCE LIMITED)
the within named **Company**)
by its duly authorised signatory)

For IFL FINANCE LIMITED

Authorised Signatory

For IFL FINANCE LIMITED

Authorised Signatory

SIGNED AND DELIVERED BY
CATALYST TRUSTEESHIP LIMITED
the within named **Debenture Trustee**
by its duly authorised signatory

)
)
)
)
)

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

10/11/11

PERSONAL GUARANTEE

DATED NOVEMBER 18, 2025

BETWEEN

MRS. SUNITA BANSAL
as the Guarantor

AND

CATALYST TRUSTEESHIP LIMITED
as the Debenture Trustee

PERSONAL GUARANTEE

This personal guarantee ("**Guarantee**") is executed at New Delhi, India on November 18, 2025 ("**Effective Date**"):

BY:

1. **MRS. SUNITA BANSAL**, an Indian citizen holding permanent account number AZJPS4858C, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India (hereinafter referred to as the "**Guarantor**", which expression will, unless repugnant to the subject or context, include its heirs, successors, administrators and permitted assigns);

IN FAVOUR OF:

2. **CATALYST TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 1956 with corporate identification number ("**CIN**") U74999PN1997PLC110262, having its registered office at GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune, Maharashtra - 411038, India, and acting through its office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001, India (hereinafter referred to as the "**Debenture Trustee**", which expression will, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).

(The Guarantor and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

- A. IFL Finance Limited (formerly known as IFL Housing Finance Limited), a company incorporated under the Companies Act, 2013 with CIN U65910DL2015PLC285284 and a non-banking financial company registered with the Reserve Bank of India, and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, North West Delhi, New Delhi - 110085, India (hereinafter referred to as the "**Company**", which expression will, unless repugnant to the subject or context thereof, include its successors and permitted assigns), pursuant to the terms of the debenture trust deed dated November 18, 2025 ("**DTD**") executed between the Company and the Debenture Trustee, proposes to issue 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("**Debentures**"), at par, in dematerialized form on a private placement basis to certain identified investors ("**Issue**").
- B. Under the debenture trustee agreement dated October 25, 2025 ("**Debenture Trustee Agreement**") executed between the Company and the Debenture Trustee, the Company has appointed Catalyst Trusteeship Limited to act as the debenture trustee.
- C. One of the conditions in the DTD for the issuance of the Debentures is that, *inter alia*, the Guarantor shall provide an unconditional and an irrevocable personal guarantee in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders (as defined below)) for the purposes of guaranteeing/credit enhancing the Guaranteed Obligations (as defined below) in respect of the Debentures.

- D. Accordingly, the Guarantor has agreed to provide an unconditional and an irrevocable guarantee in favour of the Debenture Trustee in accordance with the terms contained herein.

NOW THEREFORE, FOR THE CONSIDERATION AFORESAID, THE GUARANTOR HEREBY AFFIRMS AND AGREES AS FOLLOWS:

OPERATIVE TERMS:

In consideration of the Debenture Holders subscribing/agreeing to subscribe to the Debentures issued by the Company under the terms of the DTD and the other Transaction Documents, the Guarantor hereby unconditionally, absolutely, and irrevocably guarantees as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised terms used herein and not otherwise defined shall have the meanings given to them in the DTD. In this Guarantee, the following terms have the following meanings:

- (1) **"Applicable Law"** has the meaning given to it in the DTD.
- (2) **"Company"** has the meaning given to it in Recital A above.
- (3) **"Debentures"** has the meaning given to it in Recital A above.
- (4) **"Debenture Holders"** has the meaning given to it in the DTD.
- (5) **"Debenture Trustee Agreement"** has the meaning given to it in Recital B above.
- (6) **"Default Interest Rate"** means the aggregate of 5% (five percent) and the applicable Interest Rate.
- (7) **"Demand Certificate"** has the meaning given to it in Clause 2.2 (*Demand Certificate*).
- (8) **"Designated Agent"** means Grip Invest Technologies Private Limited and/or such of its affiliates as identified by it.
- (9) **"DTD"** has the meaning given to it in Recital A above.
- (10) **"Event of Default"** has the meaning given to it in the DTD.
- (11) **"Financial Indebtedness"** has the meaning given to it in the DTD.
- (12) **"Guaranteed Amounts"** means the aggregate amounts payable by the Guarantor under this Guarantee.
- (13) **"Guaranteed Obligations"** has the meaning given to the term "Secured Obligations" in the DTD.
- (14) **"Interest Rate"** has the meaning given to it in the DTD.
- (15) **"Material Adverse Effect"** has the meaning given to it in the DTD.

- (16) **"RBI"** means the Reserve Bank of India.
- (17) **"Promoters"** has the meaning given to it in the DTD.
- (18) **"Promoter Group"** has the meaning given to it in the DTD.
- (19) **"Secured Obligations"** has the meaning given to it in the DTD.
- (20) **"Transaction Documents"** has the meaning given to it in the DTD.

1.2 **Interpretation**

Clause 1.2 (*Interpretation*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.3 **Conflicts**

Clause 1.3 (*Conflicts*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.4 **Designated Agent**

Clause 1.4 (*Designated Agent*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if set out herein.

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

The Guarantor irrevocably and unconditionally:

- (a) guarantees to the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) punctual performance by the Company of all the Guaranteed Obligations; and
- (b) undertakes with the Debenture Trustee that whenever the Company does not pay any amount as and when due under the DTD or any of the other Transaction Documents (in accordance with the provisions thereof), the Guarantor will immediately on demand by the Debenture Trustee, pay that amount as if it was the principal debtor/obligor in respect of that amount.

2.2 **Demand Certificate**

If an Event of Default occurs, the Guarantor will, upon demand, pay to the relevant Debenture Holders/Debenture Trustee without any demur or protest, the amounts stated in any demand certificate provided by the Debenture Trustee substantially in the form set out in Schedule I ("**Demand Certificate**") to the Guarantor, within the period specified in such Demand Certificate.

2.3 **Independent Obligation**

- (a) The Guarantor will, as a separate and independent stipulation and without prejudice to

the other provisions contained herein, as a primary obligor and a principal debtor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee and the Debenture Holders against any loss they incur as a result of the whole or any part of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective as against the Company for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee or the Debenture Holders or any of their officers, employees, agents or advisers. The amount of such loss will be equal to the amount, which the Debenture Trustee/Debenture Holders (as the case may be) would otherwise have been entitled to recover from the Guarantor on the basis of this Guarantee.

- (b) Without prejudice to Clause 2.3(a) above, the Guarantor shall also indemnify and keep indemnified the Debenture Trustee and the Debenture Holders against all losses, damages, costs, claims and expenses whatsoever which they may suffer, pay or incur by reason of or in connection with any default under the Transaction Documents, including any legal proceedings taken against the Company and/or the Guarantor for recovery of the amounts due under the Transaction Documents.

2.4 Demand

- (a) Any demand given or made by the Debenture Trustee to the Guarantor will be conclusive evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the amount stated in such demand. Such demand will be made by delivery of a Demand Certificate to the Guarantor by the Debenture Trustee, and will serve as conclusive evidence against the Guarantor of the amounts, for the time being, due from the Company in any action or proceeding brought under this Guarantee against the Guarantor.
- (b) Any such demand made by the Debenture Trustee on the Guarantor will be final, conclusive and binding notwithstanding any difference or any dispute or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority between the Company and/or the Guarantor and the Debenture Trustee and/or the Debenture Holders.
- (c) Any admission or acknowledgement in writing given by the Company pursuant to or in relation to any amounts due under the DTD and/or the Transaction Documents will be binding on the Guarantor. The Guarantor accepts the correctness of any statement of account served on the Company which is certified by the Debenture Trustee and such statement of account shall be binding and conclusive as against the Guarantor. The Guarantor further agrees that in making an acknowledgement or making a payment, the Company shall be treated as the authorised agent of the Guarantor for the purposes of the Indian Limitation Act, 1963.

2.5 No Requirement to Exhaust Remedies

Without prejudice to Clause 2.4(a) above, prior to making any demand hereunder, the Debenture Trustee will not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against the Company, give notice to any other person under the Transaction Documents, or make or file any claim or proof in the dissolution or winding-up of the Company or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) in respect

of the Guaranteed Obligations.

2.6 Indemnity

- (a) The Guarantor shall indemnify and hold harmless the Debenture Holders and the Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:
 - (i) the occurrence of any Event of Default; or
 - (ii) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and
 - (iii) a failure by the Guarantor to pay any amount due under any Transaction Document on its due date.
- (b) Any indemnification payment made by the Guarantor shall be grossed up to take into account any taxes, payable by the Debenture Holders or deductible by the Guarantor on such payment.
- (c) The indemnification rights of the Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Holders may have under Applicable Law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- (d) The Guarantor acknowledges and agrees that any payments to be made pursuant to this Clause 2.6 (*Indemnity*) are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Guarantor waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

2.7 Default Interest

In the event that the Guarantor does not pay the Guaranteed Amounts in accordance with Clause 2.2 (*Demand Certificate*) on the due date stipulated under the Demand Certificate, the Guarantor will pay interest at the Default Interest Rate on the outstanding amounts in accordance with the provisions of the DTD. The Guarantor agrees that such default interest is a genuine pre-estimate of the loss likely to be suffered by the Debenture Trustee and/or the Debenture Holders on account of any default by the Guarantor in discharging its obligations under this Guarantee.

2.8 Variation of Guaranteed Amounts

The Guaranteed Amounts will stand amended upon such amendment being mutually agreed between the Debenture Trustee and the Guarantor.

2.9 Power to Vary

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee may at any time without the consent of or notice to the Guarantor:

- (a) exercise or refrain from exercising any rights against any other security provider/guarantor or any other party;
- (b) settle, release or compromise any of the Guaranteed Obligations, any security therewith or any liability (including under this Guarantee) incurred directly or indirectly in respect thereof or hereof;
- (c) vary, alter, waive, release or modify any and all the provisions of the Transaction Documents including, without limitation, any modification, variation, waiver, release or amendment of the DTD which increases the aggregate principal amount of, or the applicable interest rate on, the Debentures or the amount of principal or interest scheduled to be paid in accordance with the DTD, as the case may be; and
- (d) defer, postpone or revise the repayment in respect of the Debentures and/or payment of interest, default interest, additional interest and other amounts payable by the Company to the Debenture Trustee on such terms and conditions as may be considered necessary by the Debenture Trustee, including any increase in the rate of interest.

2.10 Waivers

The Guarantor will not be released by any act or omission on the part of the Debenture Trustee or the Debenture Holders, or by any other matter or thing whatsoever which under the law relating to sureties would have the effect of releasing the Guarantor, and the Guarantor hereby waives in favour of the Debenture Trustee, so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

2.11 No Release

The rights of the Debenture Trustee against the Guarantor will remain in full force and effect notwithstanding enforcement of this Guarantee in part, any arrangement which may be reached between the Debenture Trustee and the Company or other security provider/guarantor, and notwithstanding the release of any other security provider/guarantor from any liability, and notwithstanding that at any time hereafter any other security provider/guarantor may cease for any reason whatsoever to be liable to the Debenture Trustee.

2.12 Principal Debtor

To give effect to this Guarantee, the Debenture Trustee may act as though the Guarantor is the principal debtor.

2.13 **No Proof in Liquidation; No Exercise of Rights**

- (a) Until the Final Settlement Date, the Guarantor agrees that:
 - (i) in the event of the liquidation of the Company, it will not prove in liquidation proceedings in competition with the Debenture Trustee or the Debenture Holders;
 - (ii) it will not have a right of subrogation or indemnity against the Company, nor will it exercise any such rights available under Applicable Law, to claim any sum relating to the Guaranteed Obligations from the Company, including those of subrogation and of proof in the Company's insolvency, and will hold the benefit of any such rights on trust for the Debenture Trustee;
 - (iii) it will not receive, claim or have the benefit of any payment, distribution or security from or on account of the Company, or exercise any right of set-off as against the Company; and
 - (iv) be subrogated to any rights, security or amounts held, received or receivable by the Debenture Trustee (or any trustee or agent on its behalf).
- (b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any), against the Company will arise only after all the Guaranteed Obligations have been fully, completely, unconditionally and irrevocably discharged to the satisfaction of the Debenture Trustee.
- (c) The Guarantor must hold in trust for and immediately pay or transfer to the Debenture Trustee any payments or distribution or benefit of security received by it in contravention of this Clause 2.13 (*No Proof in Liquidation; No Exercise of Rights*) or in accordance with any directions given by the Debenture Trustee hereinabove.

2.14 **Reinstatement**

If any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) or arrangement is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Guarantor under this Guarantee will continue or be reinstated as if such discharge or arrangement had not occurred.

2.15 **No discharge**

The liability of the Guarantor under this Guarantee shall not be affected by:

- (a) any change in the constitution or winding up of the Company or any absorption, merger or amalgamation of the Company with any other company, corporation or concern;
- (b) any change in the Debenture Trustee and/or any change in constitution of the Debenture Trustee or the Debenture Holders;
- (c) any change in the Debenture Holders, including by way of any transfer of the Debentures;

- (d) any change in the management of the Company or takeover of the management of the Company;
- (e) acquisition or nationalisation of the Company and/or of any of its undertaking(s) pursuant to Applicable Law;
- (f) the absence or deficiency in the capacity of the Guarantor to provide guarantees and/or indemnities;
- (g) the absence or deficiency of borrowing powers on the part of the Company or any irregularity in the exercise of such powers; or
- (h) the absence of any consent or approval required by the Company or the Guarantor for the purposes of the issuance of the Debentures by the Company and/or the providing of this Guarantee by the Guarantor.

2.16 **Others**

Without prejudice to any of the provisions of this Guarantee and the other Transaction Documents, the Guarantor acknowledges, understands, confirms and agrees as follows:

- (a) the Guarantor declares and agrees that it has not received and shall not, without the prior consent in writing of the Debenture Trustee receive any security or commission from the Company for the providing of this Guarantee so long as any amounts remain due and payable by the Company in respect of any of the Transaction Documents;
- (b) the Guarantor shall not be entitled to the right conferred on sureties notwithstanding anything contained in Sections 133, 134, 135, 139 and 141 of the Indian Contract Act, 1872; and
- (c) the Guarantor agrees that the Debenture Trustee shall not be bound to enquire into the powers of the Company, and the Debenture Trustee has powers against the Guarantor notwithstanding any security given or being given in favour of the Debenture Trustee may be void or defective.

3. **IRREVOCABLE GUARANTEE**

This Guarantee provided by the Guarantor is irrevocable and the obligations of the Guarantor hereunder are not conditional on the receipt of any prior notice by the Guarantor or the Company, and that the Demand Certificate or notice by the Debenture Trustee in respect of a demand/claim in accordance with the terms of this Guarantee is sufficient notice to, or demand on, the Guarantor.

4. **LIABILITY NOT AFFECTED**

- 4.1 The obligations of the Guarantor under this Guarantee will not be affected by any act, omission or thing (whether or not known to the Guarantor or the Debenture Trustee) which, but for this provision, would reduce, release or prejudice any of its obligations under this Guarantee. These include:

- (a) any time or waiver granted to, or composition with, any person;

- (b) any release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment of a Transaction Document or any other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Transaction Document or any other document or security;
- (h) any payments made or settled by the Company with the Debenture Trustee; or
- (i) any insolvency or similar proceedings (including in respect of the Company).

4.2 The Guarantor will be jointly and severally liable with each other guarantor (if any) under the Transaction Documents for the due discharge of the Guaranteed Obligations. This Guarantee shall be enforceable against the Guarantor(s) jointly and severally notwithstanding that any security interest comprised in any of the Transaction Documents executed or to be executed by the Company in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) shall, at the time when the proceedings are taken against the Guarantor under this Guarantee be outstanding or unrealised or lost.

4.3 This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee by the Company and shall be valid and binding on the Guarantor and operative until the Final Settlement Date.

5. CONTINUING GUARANTEE

- (a) This Guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Company under the DTD and the other Transaction Documents, regardless of any intermediate payment or discharge in whole or in part.
- (b) This Guarantee is in addition to and not by way of limitation of or substitution for, any other guarantee(s) that the Guarantor may have previously provided or may hereafter provide in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) (whether alone or jointly with other parties) and this Guarantee will not revoke or limit any such other guarantee(s).

6. EXPIRY

This Guarantee will be in effect from the Effective Date until the Final Settlement Date.

7. REPRESENTATIONS AND WARRANTIES

The Guarantor makes the following representations and warranties as of the Effective Date, and which representations and warranties shall be true and valid on each date until the Final

Settlement Date:

(a) **Status**

- (i) The Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder.
- (ii) The Guarantor is competent to contract for the purposes of Applicable Law.
- (iii) The Guarantor is of sound mind and is not disqualified from contracting under Applicable Law.
- (iv) The Guarantor has full power and authority to engage in the profession or carry on its business as such profession or business is being conducted on the Effective Date.

(b) **Authorisation**

The Guarantor has the competence, full power and capacity to enter into this Guarantee and to exercise the rights and perform its obligations hereunder.

(c) **Binding Effect**

This Guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) **Consents and other actions**

- (i) All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (A) the execution, delivery or performance of this Guarantee, (B) the legality, validity and enforceability hereof, and (C) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.
- (ii) Neither the Guarantor, nor the Company is required to obtain any consent or approval from any third party, including pursuant to the constitutional documents of the Company or any shareholders agreement to which the Company and/or the Guarantor may be a party.

(e) **No Contravention**

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under any (i) provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or any of his/her assets is or may be bound, (ii) Applicable Law, or (iii) judgment, injunction, order or decree binding upon the Guarantor or any of its assets.

(f) **No Default**

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would constitute an Event of Default relating to the Guarantor or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(g) **Legal Form; Registration Requirements**

- (i) This Guarantee is in proper legal form under the laws of India for enforcement in the relevant courts.
- (ii) It is not necessary to file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than the payment of stamp duty on this Guarantee in accordance with its location of execution.

(h) **Governing Law**

The choice of Indian law to govern this Guarantee is valid, legal and binding upon the Guarantor.

(i) **Information**

All information and documents provided by or on behalf of the Guarantor to the Debenture Trustee are genuine, true and correct as on the date such information or documents were provided, and no act or event or series of acts or events have occurred to render such information or documents so provided materially untrue or misleading in any way.

(j) **No Litigation**

No litigation, arbitration, administrative or other proceedings are pending against the Guarantor or its assets, which, if adversely determined, might be expected to have a Material Adverse Effect in relation to the Guarantor.

(k) **Material Adverse Effect**

No Material Adverse Effect in relation to the Guarantor has occurred.

(l) **Insolvency**

- (i) The Guarantor is able to, and has not admitted its inability to, pay any Financial Indebtedness as they mature and has not suspended making payment on any of its Financial Indebtedness.
- (ii) The Guarantor has not, by reason of actual or anticipated financial difficulties, commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

- (iii) The value of the assets of the Guarantor is more than its liabilities.
- (iv) No moratorium has been declared in respect of any Financial Indebtedness of the Guarantor.

8. COVENANTS

The Guarantor undertakes, covenants and agrees, from the Effective Date and until the Final Settlement Date, as follows:

(a) Compliance

The Guarantor will obtain, comply with the terms of and do all that is necessary to maintain in full force and effect its capacity and all approvals, authorizations, consents and licenses required by Applicable Law to enable it to lawfully enter into and perform its obligations under this Guarantee, and to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India.

(b) Information

The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee:

- (i) such reports and information as the Debenture Trustee may request from time to time with respect to the implementation and administration of this Guarantee;
- (ii) within 10 (ten) calendar days of request from the Debenture Trustee, details of all such financial information about the Guarantor and clarifications as the Debenture Trustee may require; and
- (iii) on a half yearly basis, within such time period as may be prescribed by the Debenture Trustee, from September 30 and March 31 of each Financial Year, all necessary information/documents that the Debenture Trustee may require including a net worth certificate of the Guarantor.

(c) Notifications

The Guarantor will:

- (i) immediately inform the Debenture Trustee of (A) the imposition of, or change in, any law, decree or regulation having a Material Adverse Effect on the Guarantor, and (B) any substantial change in the business activities/employment of the Guarantor; and
- (ii) notify the Debenture Trustee as soon as the Guarantor becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (A) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee, or (B) an Event of Default.

(d) **Negative Covenants**

Without the prior written consent approval of the Debenture Trustee, the Guarantor will not:

- (i) take any actions for voluntary insolvency/bankruptcy;
- (ii) do or omit to do anything that will have a Material Adverse Effect on its obligations under this Guarantee;
- (iii) dispose of any of its assets, properties or undertakings, or compromise with any of its creditors, except in the ordinary course of business;
- (iv) enter into or perform any transaction or contract of any nature other than in the ordinary course of business; and
- (v) assume, guarantee, endorse or in any manner become directly or contingently liable for or in connection with the obligation of any person other than itself.

(e) **Holding Covenants**

- (i) Mrs. Sunita Bansal shall continue to hold an executive position in the Company until the Final Redemption Date; and
- (ii) without prejudice to sub-Clause (i) above, Mrs. Sunita Bansal shall continue to hold a position on the board of directors of the Company until the Final Redemption Date.

(f) **Shareholding Covenants**

The Guarantor shall ensure and procure that, until the Final Settlement Date, without the prior consent of the Debenture Trustee (in the manner prescribed under Clause 10.6 (*Negative Covenants*) of the DTD:

- (i) the key shareholders of the Company (being India Finsec Limited, Gopal Bansal, Sunita Bansal, and Gopal Bansal (HUF)), shall not transfer or encumber more than 10% (ten percent) of the equity shareholding held by them in the Company (on a fully diluted basis));
- (ii) the aggregate shareholding of the Promoter Group shall not fall below 90% (ninety percent) of the total shareholding held by the Promoter Group collectively in the Company (on a fully diluted basis); and
- (iii) the shareholding of India Finsec Limited shall not fall below 51% (fifty one percent) of the total shareholding held by it in the Company (on a fully diluted basis).

(g) **Change of business/employment**

The Guarantor undertakes that no substantial change will be made to the general nature of its business/employment from that carried on as on the Effective Date.

(h) **Assets**

Until the Final Settlement Date, ensure and procure that its assets are sufficient to discharge the Guaranteed Obligations (including all interest and principal amounts) at all times.

(i) **Other Acts and Deeds**

At the request of the Debenture Trustee, the Guarantor will promptly perform all acts and deeds as may be required by the Debenture Trustee or the Debenture Holders in relation to this Guarantee.

9. **PAYMENTS**

The provisions of Clause 2.6 (*Application of Payments*) of the DTD will apply to this Guarantee *mutatis mutandis* as if set out herein.

10. **TAXES**

- (a) All payments to be made by the Guarantor to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Guarantor is required to make a Tax Deduction pursuant to Applicable Law.
- (b) The Guarantor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (c) If the Guarantor is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (d) Within the earlier of (i) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, or (ii) 60 (sixty) days of each Due Date, the Guarantor shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11. **NOTICES**

11.1 **Communications in writing**

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

11.2 **Addresses**

The address, e-mail and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Guarantee is that identified with its name below, or any substitute address, e-mail, fax number or department or officer as the Party may notify to the other Party by not less than 2 (two) Business Days' notice:

If to the Guarantor:

Address: A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi
- 110085, India
Telephone: 011- 47096097
Fax: N.A.
Attention: Mrs. Sunita Bansal
E-mail: sunita.bansal@iflfinanceltd.com

If to the Debenture Trustee:

Address: 901, 9th Floor, Tower - B Peninsula Business Park, Senapati Bapat
Marg, Lower Parel (W), Mumbai - 400013, Maharashtra, India
Fax: +91(022)49220555
Telephone: +91(022)49220555
Attention: Mr. Umesh Salvi
E-mail: ComplianceCTL-Mumbai@ctltrustee.com

11.3 Delivery

Any communication or document made or delivered by any Party under or in connection with this Guarantee will only be effective:

- (a) if by way of fax, when received in legible form on a Business Day during business hours;
- (b) if received by e-mail, when received on a Business Day during business hours; and
- (c) if by way of letter, when it has been left at the relevant address or 2 (two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address,

and if a particular department or officer is specified as part of its address details provided under Clause 11.2 (*Addresses*), if addressed to that department or officer.

11.4 Notification of Address, Fax Number and E-mail Address

Promptly upon receipt of notification of an address, fax number and e-mail address or change of address, fax number or e-mail address pursuant to Clause 11.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Party.

11.5 Electronic Communication

Any electronic communication made between the Guarantor and the Debenture Trustee will be effective only when actually received in a readable form and in the case of any electronic communication made by the Guarantor to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

11.6 Reliance

- (a) Any notice sent under this Clause 11 (*Notices*) can be relied upon by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears

to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).

- (b) Each Party must take reasonable care to ensure that no forged, false or unauthorised notices are sent to another Party.

11.7 **English Language**

- (a) Any notice given under or in connection with this Guarantee must be in English.
- (b) All other documents provided under or in connection with this Guarantee must be:
 - (i) in English; or
 - (ii) if not in English, and if required by the recipient, accompanied by a certified English translation.

12. **SET-OFF**

The Guarantor agrees and confirms that the Debenture Trustee shall be entitled to adjust appropriate or set-off all amounts held by it to the credit of or for the benefit of the Guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor under this Guarantee.

13. **GOVERNING LAW**

This Guarantee is governed by and will be construed in accordance with the laws of India.

14. **JURISDICTION**

- 14.1 The Parties agree that the courts and tribunals at New Delhi, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Guarantee ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "**Proceedings**") arising out of or in connection with this Guarantee may be brought in the courts and tribunals of New Delhi, India and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.
- 14.2 The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at New Delhi, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Guarantor further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at New Delhi, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.
- 14.3 Nothing contained in this Clause 14 (*Jurisdiction*), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction

of such court or tribunal, and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

- 14.4 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

15. MISCELLANEOUS

15.1 Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that will not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

15.2 Reservation of Rights

No forbearance, indulgence or relaxation or inaction by the Debenture Trustee at any time to require performance of any of the provisions of this Guarantee will in any way affect, diminish or prejudice the right of the Debenture Trustee to require performance of that provision at a later point of time. Any waiver or acquiescence by the Debenture Trustee of any breach of any of the provisions of this Guarantee will not be construed as a waiver or acquiescence of any right under or arising out of this Guarantee, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Guarantee.

15.3 Assignment

The Guarantor cannot assign or transfer all or any of its rights, benefits or obligations under this Guarantee. The Debentures may be transferred by the Debenture Holders in accordance with the terms of the DTD.

15.4 Entirety

This Guarantee is the entire agreement recording the understanding between the Debenture Trustee and the Guarantor in respect to matters concerning this Guarantee.

15.5 Relationship

Nothing contained in this Guarantee constitutes a partnership between the Guarantor and the Debenture Trustee.

15.6 Amendments

This Guarantee may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an instrument in writing executed by the Guarantor and the Debenture Trustee.

15.7 Cumulative Rights

All remedies of the Debenture Trustee and the Debenture Holders under this Guarantee whether provided herein or conferred by statute, contract, civil law, common law, custom, trade, or usage, are cumulative and not alternative and may be enforced successively or concurrently.

15.8 Transaction Document

This Guarantee is a Transaction Document.

15.9 Counterparts

- (a) This Guarantee may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.
- (b) If the Parties elect to execute this Guarantee in counterparts:
 - (i) the executed signature pages of each Party may be collated into a single copy of this Guarantee;
 - (ii) the Guarantor will transmit the signed signature page(s) to the Debenture Trustee, and the Debenture Trustee is hereby authorised by the Guarantor to collate and attach them into a single copy of this Guarantee; and
 - (iii) the execution in accordance with this sub-Clause (b) will have the same effect as if this Guarantee had been executed by the Parties in a single copy of this Guarantee.

[Intentionally left blank]

SCHEDULE I
FORM OF DEMAND CERTIFICATE

To:
 [Insert address]

From: **CATALYST TRUSTEESHIP LIMITED ("Debenture Trustee")**
 [Insert address]

Date:

Dear Sirs,

We refer to the personal guarantee dated ("**Guarantee**") executed by (the "**Guarantor**") in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).

Please note that (the "**Company**") has not fulfilled its obligations under the DTD and the other Transaction Documents, and an amount of INR is due and payable by the Company to the Debenture Holders. Accordingly, we hereby issue this demand notice pursuant to Clause 2.2 (*Demand Certificate*) of the Guarantee, and require you to make such payments on or before .

Capitalised terms used herein and to not defined otherwise have the meanings given to them in the Guarantee.

Yours sincerely,

For **CATALYST TRUSTEESHIP LIMITED**

Name:

Designation:

SIGNATURE PAGE

IN WITNESS WHEREOF, the Guarantor and the Debenture Trustee have caused this personal guarantee to be executed and acknowledged on the Effective Date.

SIGNED AND DELIVERED BY
MRS. SUNITA BANSAL
the within named **Guarantor**

)
)
)
)
)
)
)

)
)
SIGNED AND DELIVERED BY)
CATALYST TRUSTEESHIP LIMITED)
the within named **Debenture Trustee**)
by its duly authorised signatory)
)
)

PERSONAL GUARANTEE

DATED NOVEMBER 18, 2025

BETWEEN

MR. GOPAL BANSAL
as the Guarantor

AND

CATALYST TRUSTEESHIP LIMITED
as the Debenture Trustee

PERSONAL GUARANTEE

This personal guarantee ("**Guarantee**") is executed at New Delhi, India on November 18, 2025 ("**Effective Date**"):

BY:

1. **MR. GOPAL BANSAL**, an Indian citizen holding permanent account number AAHPB8176F, currently residing at A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi - 110085, India (hereinafter referred to as the "**Guarantor**", which expression will, unless repugnant to the subject or context, include its heirs, successors, administrators and permitted assigns);

IN FAVOUR OF:

2. **CATALYST TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 1956 with corporate identification number ("**CIN**") U74999PN1997PLC110262, having its registered office at GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune, Maharashtra - 411038, India, and acting through its office at 910-911, 9th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001, India (hereinafter referred to as the "**Debenture Trustee**", which expression will, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).

(The Guarantor and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

- A. IFL Finance Limited (formerly known as IFL Housing Finance Limited), a company incorporated under the Companies Act, 2013 with CIN U65910DL2015PLC285284 and a non-banking financial company registered with the Reserve Bank of India, and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, North West Delhi, New Delhi - 110085, India (hereinafter referred to as the "**Company**", which expression will, unless repugnant to the subject or context thereof, include its successors and permitted assigns), pursuant to the terms of the debenture trust deed dated November 18, 2025 ("**DTD**") executed between the Company and the Debenture Trustee, proposes to issue 19,980 (nineteen thousand nine hundred and eighty) listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**"), having a face value of INR 10,000 (Indian Rupees Ten Thousand) each and an aggregate nominal value of INR 19,98,00,000 (Indian Rupees Nineteen Crore and Ninety Eight Lakh) ("**Debentures**"), at par, in dematerialized form on a private placement basis to certain identified investors ("**Issue**").
- B. Under the debenture trustee agreement dated October 25, 2025 ("**Debenture Trustee Agreement**") executed between the Company and the Debenture Trustee, the Company has appointed Catalyst Trusteeship Limited to act as the debenture trustee.
- C. One of the conditions in the DTD for the issuance of the Debentures is that, *inter alia*, the Guarantor shall provide an unconditional and an irrevocable personal guarantee in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders (as defined below)) for the purposes of guaranteeing/credit enhancing the Guaranteed Obligations (as defined below) in respect of the Debentures.

- D. Accordingly, the Guarantor has agreed to provide an unconditional and an irrevocable guarantee in favour of the Debenture Trustee in accordance with the terms contained herein.

NOW THEREFORE, FOR THE CONSIDERATION AFORESAID, THE GUARANTOR HEREBY AFFIRMS AND AGREES AS FOLLOWS:

OPERATIVE TERMS:

In consideration of the Debenture Holders subscribing/agreeing to subscribe to the Debentures issued by the Company under the terms of the DTD and the other Transaction Documents, the Guarantor hereby unconditionally, absolutely, and irrevocably guarantees as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised terms used herein and not otherwise defined shall have the meanings given to them in the DTD. In this Guarantee, the following terms have the following meanings:

- (1) **"Applicable Law"** has the meaning given to it in the DTD.
- (2) **"Company"** has the meaning given to it in Recital A above.
- (3) **"Debentures"** has the meaning given to it in Recital A above.
- (4) **"Debenture Holders"** has the meaning given to it in the DTD.
- (5) **"Debenture Trustee Agreement"** has the meaning given to it in Recital B above.
- (6) **"Default Interest Rate"** means the aggregate of 5% (five percent) and the applicable Interest Rate.
- (7) **"Demand Certificate"** has the meaning given to it in Clause 2.2 (*Demand Certificate*).
- (8) **"Designated Agent"** means Grip Invest Technologies Private Limited and/or such of its affiliates as identified by it.
- (9) **"DTD"** has the meaning given to it in Recital A above.
- (10) **"Event of Default"** has the meaning given to it in the DTD.
- (11) **"Financial Indebtedness"** has the meaning given to it in the DTD.
- (12) **"Guaranteed Amounts"** means the aggregate amounts payable by the Guarantor under this Guarantee.
- (13) **"Guaranteed Obligations"** has the meaning given to the term "Secured Obligations" in the DTD.
- (14) **"Interest Rate"** has the meaning given to it in the DTD.
- (15) **"Material Adverse Effect"** has the meaning given to it in the DTD.

- (16) **"RBI"** means the Reserve Bank of India.
- (17) **"Promoters"** has the meaning given to it in the DTD.
- (18) **"Promoter Group"** has the meaning given to it in the DTD.
- (19) **"Secured Obligations"** has the meaning given to it in the DTD.
- (20) **"Transaction Documents"** has the meaning given to it in the DTD.

1.2 **Interpretation**

Clause 1.2 (*Interpretation*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.3 **Conflicts**

Clause 1.3 (*Conflicts*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.4 **Designated Agent**

Clause 1.4 (*Designated Agent*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if set out herein.

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

The Guarantor irrevocably and unconditionally:

- (a) guarantees to the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) punctual performance by the Company of all the Guaranteed Obligations; and
- (b) undertakes with the Debenture Trustee that whenever the Company does not pay any amount as and when due under the DTD or any of the other Transaction Documents (in accordance with the provisions thereof), the Guarantor will immediately on demand by the Debenture Trustee, pay that amount as if it was the principal debtor/obligor in respect of that amount.

2.2 **Demand Certificate**

If an Event of Default occurs, the Guarantor will, upon demand, pay to the relevant Debenture Holders/Debenture Trustee without any demur or protest, the amounts stated in any demand certificate provided by the Debenture Trustee substantially in the form set out in Schedule I ("**Demand Certificate**") to the Guarantor, within the period specified in such Demand Certificate.

2.3 **Independent Obligation**

- (a) The Guarantor will, as a separate and independent stipulation and without prejudice to

the other provisions contained herein, as a primary obligor and a principal debtor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee and the Debenture Holders against any loss they incur as a result of the whole or any part of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective as against the Company for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee or the Debenture Holders or any of their officers, employees, agents or advisers. The amount of such loss will be equal to the amount, which the Debenture Trustee/Debenture Holders (as the case may be) would otherwise have been entitled to recover from the Guarantor on the basis of this Guarantee.

- (b) Without prejudice to Clause 2.3(a) above, the Guarantor shall also indemnify and keep indemnified the Debenture Trustee and the Debenture Holders against all losses, damages, costs, claims and expenses whatsoever which they may suffer, pay or incur by reason of or in connection with any default under the Transaction Documents, including any legal proceedings taken against the Company and/or the Guarantor for recovery of the amounts due under the Transaction Documents.

2.4 Demand

- (a) Any demand given or made by the Debenture Trustee to the Guarantor will be conclusive evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the amount stated in such demand. Such demand will be made by delivery of a Demand Certificate to the Guarantor by the Debenture Trustee, and will serve as conclusive evidence against the Guarantor of the amounts, for the time being, due from the Company in any action or proceeding brought under this Guarantee against the Guarantor.
- (b) Any such demand made by the Debenture Trustee on the Guarantor will be final, conclusive and binding notwithstanding any difference or any dispute or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority between the Company and/or the Guarantor and the Debenture Trustee and/or the Debenture Holders.
- (c) Any admission or acknowledgement in writing given by the Company pursuant to or in relation to any amounts due under the DTD and/or the Transaction Documents will be binding on the Guarantor. The Guarantor accepts the correctness of any statement of account served on the Company which is certified by the Debenture Trustee and such statement of account shall be binding and conclusive as against the Guarantor. The Guarantor further agrees that in making an acknowledgement or making a payment, the Company shall be treated as the authorised agent of the Guarantor for the purposes of the Indian Limitation Act, 1963.

2.5 No Requirement to Exhaust Remedies

Without prejudice to Clause 2.4(a) above, prior to making any demand hereunder, the Debenture Trustee will not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against the Company, give notice to any other person under the Transaction Documents, or make or file any claim or proof in the dissolution or winding-up of the Company or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) in respect

of the Guaranteed Obligations.

2.6 Indemnity

- (a) The Guarantor shall indemnify and hold harmless the Debenture Holders and the Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:
 - (i) the occurrence of any Event of Default; or
 - (ii) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and
 - (iii) a failure by the Guarantor to pay any amount due under any Transaction Document on its due date.
- (b) Any indemnification payment made by the Guarantor shall be grossed up to take into account any taxes, payable by the Debenture Holders or deductible by the Guarantor on such payment.
- (c) The indemnification rights of the Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Holders may have under Applicable Law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- (d) The Guarantor acknowledges and agrees that any payments to be made pursuant to this Clause 2.6 (*Indemnity*) are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Guarantor waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

2.7 Default Interest

In the event that the Guarantor does not pay the Guaranteed Amounts in accordance with Clause 2.2 (*Demand Certificate*) on the due date stipulated under the Demand Certificate, the Guarantor will pay interest at the Default Interest Rate on the outstanding amounts in accordance with the provisions of the DTD. The Guarantor agrees that such default interest is a genuine pre-estimate of the loss likely to be suffered by the Debenture Trustee and/or the Debenture Holders on account of any default by the Guarantor in discharging its obligations under this Guarantee.

2.8 Variation of Guaranteed Amounts

The Guaranteed Amounts will stand amended upon such amendment being mutually agreed between the Debenture Trustee and the Guarantor.

2.9 Power to Vary

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee may at any time without the consent of or notice to the Guarantor:

- (a) exercise or refrain from exercising any rights against any other security provider/guarantor or any other party;
- (b) settle, release or compromise any of the Guaranteed Obligations, any security therewith or any liability (including under this Guarantee) incurred directly or indirectly in respect thereof or hereof;
- (c) vary, alter, waive, release or modify any and all the provisions of the Transaction Documents including, without limitation, any modification, variation, waiver, release or amendment of the DTD which increases the aggregate principal amount of, or the applicable interest rate on, the Debentures or the amount of principal or interest scheduled to be paid in accordance with the DTD, as the case may be; and
- (d) defer, postpone or revise the repayment in respect of the Debentures and/or payment of interest, default interest, additional interest and other amounts payable by the Company to the Debenture Trustee on such terms and conditions as may be considered necessary by the Debenture Trustee, including any increase in the rate of interest.

2.10 Waivers

The Guarantor will not be released by any act or omission on the part of the Debenture Trustee or the Debenture Holders, or by any other matter or thing whatsoever which under the law relating to sureties would have the effect of releasing the Guarantor, and the Guarantor hereby waives in favour of the Debenture Trustee, so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

2.11 No Release

The rights of the Debenture Trustee against the Guarantor will remain in full force and effect notwithstanding enforcement of this Guarantee in part, any arrangement which may be reached between the Debenture Trustee and the Company or other security provider/guarantor, and notwithstanding the release of any other security provider/guarantor from any liability, and notwithstanding that at any time hereafter any other security provider/guarantor may cease for any reason whatsoever to be liable to the Debenture Trustee.

2.12 Principal Debtor

To give effect to this Guarantee, the Debenture Trustee may act as though the Guarantor is the principal debtor.

2.13 **No Proof in Liquidation; No Exercise of Rights**

- (a) Until the Final Settlement Date, the Guarantor agrees that:
 - (i) in the event of the liquidation of the Company, it will not prove in liquidation proceedings in competition with the Debenture Trustee or the Debenture Holders;
 - (ii) it will not have a right of subrogation or indemnity against the Company, nor will it exercise any such rights available under Applicable Law, to claim any sum relating to the Guaranteed Obligations from the Company, including those of subrogation and of proof in the Company's insolvency, and will hold the benefit of any such rights on trust for the Debenture Trustee;
 - (iii) it will not receive, claim or have the benefit of any payment, distribution or security from or on account of the Company, or exercise any right of set-off as against the Company; and
 - (iv) be subrogated to any rights, security or amounts held, received or receivable by the Debenture Trustee (or any trustee or agent on its behalf).
- (b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any), against the Company will arise only after all the Guaranteed Obligations have been fully, completely, unconditionally and irrevocably discharged to the satisfaction of the Debenture Trustee.
- (c) The Guarantor must hold in trust for and immediately pay or transfer to the Debenture Trustee any payments or distribution or benefit of security received by it in contravention of this Clause 2.13 (*No Proof in Liquidation; No Exercise of Rights*) or in accordance with any directions given by the Debenture Trustee hereinabove.

2.14 **Reinstatement**

If any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) or arrangement is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Guarantor under this Guarantee will continue or be reinstated as if such discharge or arrangement had not occurred.

2.15 **No discharge**

The liability of the Guarantor under this Guarantee shall not be affected by:

- (a) any change in the constitution or winding up of the Company or any absorption, merger or amalgamation of the Company with any other company, corporation or concern;
- (b) any change in the Debenture Trustee and/or any change in constitution of the Debenture Trustee or the Debenture Holders;
- (c) any change in the Debenture Holders, including by way of any transfer of the Debentures;

- (d) any change in the management of the Company or takeover of the management of the Company;
- (e) acquisition or nationalisation of the Company and/or of any of its undertaking(s) pursuant to Applicable Law;
- (f) the absence or deficiency in the capacity of the Guarantor to provide guarantees and/or indemnities;
- (g) the absence or deficiency of borrowing powers on the part of the Company or any irregularity in the exercise of such powers; or
- (h) the absence of any consent or approval required by the Company or the Guarantor for the purposes of the issuance of the Debentures by the Company and/or the providing of this Guarantee by the Guarantor.

2.16 **Others**

Without prejudice to any of the provisions of this Guarantee and the other Transaction Documents, the Guarantor acknowledges, understands, confirms and agrees as follows:

- (a) the Guarantor declares and agrees that it has not received and shall not, without the prior consent in writing of the Debenture Trustee receive any security or commission from the Company for the providing of this Guarantee so long as any amounts remain due and payable by the Company in respect of any of the Transaction Documents;
- (b) the Guarantor shall not be entitled to the right conferred on sureties notwithstanding anything contained in Sections 133, 134, 135, 139 and 141 of the Indian Contract Act, 1872; and
- (c) the Guarantor agrees that the Debenture Trustee shall not be bound to enquire into the powers of the Company, and the Debenture Trustee has powers against the Guarantor notwithstanding any security given or being given in favour of the Debenture Trustee may be void or defective.

3. **IRREVOCABLE GUARANTEE**

This Guarantee provided by the Guarantor is irrevocable and the obligations of the Guarantor hereunder are not conditional on the receipt of any prior notice by the Guarantor or the Company, and that the Demand Certificate or notice by the Debenture Trustee in respect of a demand/claim in accordance with the terms of this Guarantee is sufficient notice to, or demand on, the Guarantor.

4. **LIABILITY NOT AFFECTED**

- 4.1 The obligations of the Guarantor under this Guarantee will not be affected by any act, omission or thing (whether or not known to the Guarantor or the Debenture Trustee) which, but for this provision, would reduce, release or prejudice any of its obligations under this Guarantee. These include:

- (a) any time or waiver granted to, or composition with, any person;

- (b) any release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment of a Transaction Document or any other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Transaction Document or any other document or security;
- (h) any payments made or settled by the Company with the Debenture Trustee; or
- (i) any insolvency or similar proceedings (including in respect of the Company).

4.2 The Guarantor will be jointly and severally liable with each other guarantor (if any) under the Transaction Documents for the due discharge of the Guaranteed Obligations. This Guarantee shall be enforceable against the Guarantor(s) jointly and severally notwithstanding that any security interest comprised in any of the Transaction Documents executed or to be executed by the Company in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) shall, at the time when the proceedings are taken against the Guarantor under this Guarantee be outstanding or unrealised or lost.

4.3 This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee by the Company and shall be valid and binding on the Guarantor and operative until the Final Settlement Date.

5. CONTINUING GUARANTEE

- (a) This Guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Company under the DTD and the other Transaction Documents, regardless of any intermediate payment or discharge in whole or in part.
- (b) This Guarantee is in addition to and not by way of limitation of or substitution for, any other guarantee(s) that the Guarantor may have previously provided or may hereafter provide in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) (whether alone or jointly with other parties) and this Guarantee will not revoke or limit any such other guarantee(s).

6. EXPIRY

This Guarantee will be in effect from the Effective Date until the Final Settlement Date.

7. REPRESENTATIONS AND WARRANTIES

The Guarantor makes the following representations and warranties as of the Effective Date, and which representations and warranties shall be true and valid on each date until the Final

Settlement Date:

(a) **Status**

- (i) The Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder.
- (ii) The Guarantor is competent to contract for the purposes of Applicable Law.
- (iii) The Guarantor is of sound mind and is not disqualified from contracting under Applicable Law.
- (iv) The Guarantor has full power and authority to engage in the profession or carry on its business as such profession or business is being conducted on the Effective Date.

(b) **Authorisation**

The Guarantor has the competence, full power and capacity to enter into this Guarantee and to exercise the rights and perform its obligations hereunder.

(c) **Binding Effect**

This Guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) **Consents and other actions**

- (i) All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (A) the execution, delivery or performance of this Guarantee, (B) the legality, validity and enforceability hereof, and (C) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.
- (ii) Neither the Guarantor, nor the Company is required to obtain any consent or approval from any third party, including pursuant to the constitutional documents of the Company or any shareholders agreement to which the Company and/or the Guarantor may be a party.

(e) **No Contravention**

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under any (i) provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or any of his/her assets is or may be bound, (ii) Applicable Law, or (iii) judgment, injunction, order or decree binding upon the Guarantor or any of its assets.

(f) **No Default**

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would constitute an Event of Default relating to the Guarantor or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(g) **Legal Form; Registration Requirements**

- (i) This Guarantee is in proper legal form under the laws of India for enforcement in the relevant courts.
- (ii) It is not necessary to file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than the payment of stamp duty on this Guarantee in accordance with its location of execution.

(h) **Governing Law**

The choice of Indian law to govern this Guarantee is valid, legal and binding upon the Guarantor.

(i) **Information**

All information and documents provided by or on behalf of the Guarantor to the Debenture Trustee are genuine, true and correct as on the date such information or documents were provided, and no act or event or series of acts or events have occurred to render such information or documents so provided materially untrue or misleading in any way.

(j) **No Litigation**

No litigation, arbitration, administrative or other proceedings are pending against the Guarantor or its assets, which, if adversely determined, might be expected to have a Material Adverse Effect in relation to the Guarantor.

(k) **Material Adverse Effect**

No Material Adverse Effect in relation to the Guarantor has occurred.

(l) **Insolvency**

- (i) The Guarantor is able to, and has not admitted its inability to, pay any Financial Indebtedness as they mature and has not suspended making payment on any of its Financial Indebtedness.
- (ii) The Guarantor has not, by reason of actual or anticipated financial difficulties, commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

- (iii) The value of the assets of the Guarantor is more than its liabilities.
- (iv) No moratorium has been declared in respect of any Financial Indebtedness of the Guarantor.

8. COVENANTS

The Guarantor undertakes, covenants and agrees, from the Effective Date and until the Final Settlement Date, as follows:

(a) Compliance

The Guarantor will obtain, comply with the terms of and do all that is necessary to maintain in full force and effect its capacity and all approvals, authorizations, consents and licenses required by Applicable Law to enable it to lawfully enter into and perform its obligations under this Guarantee, and to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India.

(b) Information

The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee:

- (i) such reports and information as the Debenture Trustee may request from time to time with respect to the implementation and administration of this Guarantee;
- (ii) within 10 (ten) calendar days of request from the Debenture Trustee, details of all such financial information about the Guarantor and clarifications as the Debenture Trustee may require; and
- (iii) on a half yearly basis, within such time period as may be prescribed by the Debenture Trustee, from September 30 and March 31 of each Financial Year, all necessary information/documents that the Debenture Trustee may require including a net worth certificate of the Guarantor.

(c) Notifications

The Guarantor will:

- (i) immediately inform the Debenture Trustee of (A) the imposition of, or change in, any law, decree or regulation having a Material Adverse Effect on the Guarantor, and (B) any substantial change in the business activities/employment of the Guarantor; and
- (ii) notify the Debenture Trustee as soon as the Guarantor becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (A) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee, or (B) an Event of Default.

(d) **Negative Covenants**

Without the prior written consent approval of the Debenture Trustee, the Guarantor will not:

- (i) take any actions for voluntary insolvency/bankruptcy;
- (ii) do or omit to do anything that will have a Material Adverse Effect on its obligations under this Guarantee;
- (iii) dispose of any of its assets, properties or undertakings, or compromise with any of its creditors, except in the ordinary course of business;
- (iv) enter into or perform any transaction or contract of any nature other than in the ordinary course of business; and
- (v) assume, guarantee, endorse or in any manner become directly or contingently liable for or in connection with the obligation of any person other than itself.

(e) **Holding Covenants**

- (i) Mr. Gopal Bansal shall continue to hold an executive position in the Company until the Final Redemption Date; and
- (ii) without prejudice to sub-Clauses (i) above, Mr. Gopal Bansal shall continue to hold a position on the board of directors of the Company until the Final Redemption Date.

(f) **Shareholding Covenants**

The Guarantor shall ensure and procure that, until the Final Settlement Date, without the prior consent of the Debenture Trustee (in the manner prescribed under Clause 10.6 (*Negative Covenants*) of the DTD:

- (i) the key shareholders of the Company (being India Finsec Limited, Gopal Bansal, Sunita Bansal, and Gopal Bansal (HUF)), shall not transfer or encumber more than 10% (ten percent) of the equity shareholding held by them in the Company (on a fully diluted basis));
- (ii) the aggregate shareholding of the Promoter Group shall not fall below 90% (ninety percent) of the total shareholding held by the Promoter Group collectively in the Company (on a fully diluted basis); and
- (iii) the shareholding of India Finsec Limited shall not fall below 51% (fifty one percent) of the total shareholding held by it in the Company (on a fully diluted basis).

(g) **Change of business/employment**

The Guarantor undertakes that no substantial change will be made to the general nature of its business/employment from that carried on as on the Effective Date.

(h) **Assets**

Until the Final Settlement Date, ensure and procure that its assets are sufficient to discharge the Guaranteed Obligations (including all interest and principal amounts) at all times.

(i) **Other Acts and Deeds**

At the request of the Debenture Trustee, the Guarantor will promptly perform all acts and deeds as may be required by the Debenture Trustee or the Debenture Holders in relation to this Guarantee.

9. **PAYMENTS**

The provisions of Clause 2.6 (*Application of Payments*) of the DTD will apply to this Guarantee *mutatis mutandis* as if set out herein.

10. **TAXES**

- (a) All payments to be made by the Guarantor to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Guarantor is required to make a Tax Deduction pursuant to Applicable Law.
- (b) The Guarantor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (c) If the Guarantor is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (d) Within the earlier of (i) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, or (ii) 60 (sixty) days of each Due Date, the Guarantor shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11. **NOTICES**

11.1 **Communications in writing**

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

11.2 **Addresses**

The address, e-mail and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Guarantee is that identified with its name below, or any substitute address, e-mail, fax number or department or officer as the Party may notify to the other Party by not less than 2 (two) Business Days' notice:

If to the Guarantor:

Address: A-1/11, Varun Apartment, Plot No. 12, Sector-9, Rohini, New Delhi
- 110085, India
Telephone: 01-47096097
Fax: N.A.
Attention: Mr. Gopal Bansal
E-mail: gopalbansal@iflfinanceltd.com

If to the Debenture Trustee:

Address: 901, 9th Floor, Tower - B Peninsula Business Park, Senapati Bapat
Marg, Lower Parel (W), Mumbai - 400013, Maharashtra, India
Fax: +91(022)49220555
Telephone: +91(022)49220555
Attention: Mr. Umesh Salvi
E-mail: ComplianceCTL-Mumbai@ctltrustee.com

11.3 Delivery

Any communication or document made or delivered by any Party under or in connection with this Guarantee will only be effective:

- (a) if by way of fax, when received in legible form on a Business Day during business hours;
- (b) if received by e-mail, when received on a Business Day during business hours; and
- (c) if by way of letter, when it has been left at the relevant address or 2 (two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address,

and if a particular department or officer is specified as part of its address details provided under Clause 11.2 (*Addresses*), if addressed to that department or officer.

11.4 Notification of Address, Fax Number and E-mail Address

Promptly upon receipt of notification of an address, fax number and e-mail address or change of address, fax number or e-mail address pursuant to Clause 11.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Party.

11.5 Electronic Communication

Any electronic communication made between the Guarantor and the Debenture Trustee will be effective only when actually received in a readable form and in the case of any electronic communication made by the Guarantor to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

11.6 Reliance

- (a) Any notice sent under this Clause 11 (*Notices*) can be relied upon by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears

to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).

- (b) Each Party must take reasonable care to ensure that no forged, false or unauthorised notices are sent to another Party.

11.7 **English Language**

- (a) Any notice given under or in connection with this Guarantee must be in English.
- (b) All other documents provided under or in connection with this Guarantee must be:
 - (i) in English; or
 - (ii) if not in English, and if required by the recipient, accompanied by a certified English translation.

12. **SET-OFF**

The Guarantor agrees and confirms that the Debenture Trustee shall be entitled to adjust appropriate or set-off all amounts held by it to the credit of or for the benefit of the Guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor under this Guarantee.

13. **GOVERNING LAW**

This Guarantee is governed by and will be construed in accordance with the laws of India.

14. **JURISDICTION**

- 14.1 The Parties agree that the courts and tribunals at New Delhi, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Guarantee ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "**Proceedings**") arising out of or in connection with this Guarantee may be brought in the courts and tribunals of New Delhi, India and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.
- 14.2 The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at New Delhi, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Guarantor further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at New Delhi, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.
- 14.3 Nothing contained in this Clause 14 (*Jurisdiction*), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction

of such court or tribunal, and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

- 14.4 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

15. MISCELLANEOUS

15.1 Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that will not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

15.2 Reservation of Rights

No forbearance, indulgence or relaxation or inaction by the Debenture Trustee at any time to require performance of any of the provisions of this Guarantee will in any way affect, diminish or prejudice the right of the Debenture Trustee to require performance of that provision at a later point of time. Any waiver or acquiescence by the Debenture Trustee of any breach of any of the provisions of this Guarantee will not be construed as a waiver or acquiescence of any right under or arising out of this Guarantee, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Guarantee.

15.3 Assignment

The Guarantor cannot assign or transfer all or any of its rights, benefits or obligations under this Guarantee. The Debentures may be transferred by the Debenture Holders in accordance with the terms of the DTD.

15.4 Entirety

This Guarantee is the entire agreement recording the understanding between the Debenture Trustee and the Guarantor in respect to matters concerning this Guarantee.

15.5 Relationship

Nothing contained in this Guarantee constitutes a partnership between the Guarantor and the Debenture Trustee.

15.6 Amendments

This Guarantee may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an instrument in writing executed by the Guarantor and the Debenture Trustee.

15.7 Cumulative Rights

All remedies of the Debenture Trustee and the Debenture Holders under this Guarantee whether provided herein or conferred by statute, contract, civil law, common law, custom, trade, or usage, are cumulative and not alternative and may be enforced successively or concurrently.

15.8 Transaction Document

This Guarantee is a Transaction Document.

15.9 Counterparts

- (a) This Guarantee may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.
- (b) If the Parties elect to execute this Guarantee in counterparts:
 - (i) the executed signature pages of each Party may be collated into a single copy of this Guarantee;
 - (ii) the Guarantor will transmit the signed signature page(s) to the Debenture Trustee, and the Debenture Trustee is hereby authorised by the Guarantor to collate and attach them into a single copy of this Guarantee; and
 - (iii) the execution in accordance with this sub-Clause (b) will have the same effect as if this Guarantee had been executed by the Parties in a single copy of this Guarantee.

[Intentionally left blank]

SCHEDULE I
FORM OF DEMAND CERTIFICATE

To:
 [Insert address]

From: **CATALYST TRUSTEESHIP LIMITED ("Debenture Trustee")**
 [Insert address]

Date:

Dear Sirs,

We refer to the personal guarantee dated ("**Guarantee**") executed by (the "**Guarantor**") in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).

Please note that (the "**Company**") has not fulfilled its obligations under the DTD and the other Transaction Documents, and an amount of INR is due and payable by the Company to the Debenture Holders. Accordingly, we hereby issue this demand notice pursuant to Clause 2.2 (*Demand Certificate*) of the Guarantee, and require you to make such payments on or before .

Capitalised terms used herein and to not defined otherwise have the meanings given to them in the Guarantee.

Yours sincerely,

For **CATALYST TRUSTEESHIP LIMITED**

Name:

Designation:

SIGNATURE PAGE

IN WITNESS WHEREOF, the Guarantor and the Debenture Trustee have caused this personal guarantee to be executed and acknowledged on the Effective Date.

SIGNED AND DELIVERED BY
MR. GOPAL BANSAL
the within named **Guarantor**

)
)
)
)
)
)
)

)
)
SIGNED AND DELIVERED BY)
CATALYST TRUSTEESHIP LIMITED)
the within named **Debenture Trustee**)
by its duly authorised signatory)
)
)

Annexure- XIII

IFL FINANCE LIMITED
(Formerly Known as IFL Housing Finance Limited)

LIST/DETAILS OF PREVIOUSLY ENTERED AGREEMENTS FOR PROVIDING GUARANTEE BY THE PERSONAL GUARANTORS AS ON 30.09.2025

Sr No	Bank / FI Name	Date of Sanction	In Crore	In Crore	Personal Guarantee
			Sanctioned Amt	O/S as on Sep'25	
1	State Bank of India (I+II)	27-09-2018	25.00	4.35	Mr. Gopal Bansal, Ms. Sunita Bansal, Mr. Vinod Bansal, Ms. Renu Bansal, Ms. Kriti Suri
2	State Bank of India (III)	15-12-2021	30.00	16.50	Mr. Gopal Bansal, Ms. Sunita Bansal, Mr. Vinod Bansal, Ms. Renu Bansal, Ms. Kriti Suri
3	AU Small Finance Bank Limited	04-03-2022	5.00	0.83	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
4	AU Small Finance Bank Limited	18-08-2022	5.00	1.24	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
5	AU Small Finance Bank Limited	19-06-2024	12.50	7.58	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
6	AU Small Finance Bank Limited TL-5	29-04-2025	20.00	17.40	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
7	MAS Financial Services Term Loan -11	24-09-2025	5.00	4.97	Personal Guarantee of Mr. Gopal Bansal
8	Hinduja Housing Finance Limited	23-03-2021	5.00	0.50	Personal Guarantee of Mr. Gopal Bansal
9	Hinduja Housing Finance Limited	19-09-2022	8.00	3.19	Personal Guarantee of Mr. Gopal Bansal
10	National Housing Bank	01-01-2020	5.00	0.32	Personal Guarantee of Mr. Gopal Bansal
11	National Housing Bank	18-02-2022	5.00	2.23	Personal Guarantee of Mr. Gopal Bansal
12	Ambit Finvest Private Limited	27-06-2024	7.00	3.13	Personal Guarantee of Mr. Gopal Bansal and Mrs. Sunita Bansal
13	InCred Financial Services Limited	25-03-2025	10.00	8.09	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
14	Sundaram Home Finance Limited	16-08-2022	5.00	1.12	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
15	Sundaram Home Finance Limited-II	07-02-2023	5.00	1.74	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
16	TATA Capital Financial Services Limited	22-08-2022	5.00	0.71	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
17	TATA Capital Financial Services Limited - II	21-09-2023	5.00	2.19	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
18	Shriram Housing Finance Limited	22-08-2022	5.00	0.10	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
19	Northern Arc Capital Limited-II	29-08-2023	10.00	3.77	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
20	Northern Arc Capital Limited-III	26-09-2025	10.00	5.95	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
21	Western Capital Advisors Private Limited	27-09-2022	8.00	2.61	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
22	Nabsamruddhi Finance Limited	21-02-2023	5.00	2.16	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
23	Manappuram Finance Limited TL-1	30-03-2023	10.00	3.31	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
24	DCB Bank Limited	30-03-2023	3.00	0.53	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
25	Cholamandalam Investment & Finance Company Ltd	28-04-2023	3.00	1.37	Personal Guarantee of Mr. Gopal Bansal
26	STCI Finance Limited	01-12-2023	10.00	6.50	Personal Guarantee of Mr. Gopal Bansal & Mrs. Sunita Bansal
27	Bandhan Bank	29-12-2023	10.00	2.95	Personal Guarantee of Mr. Gopal Bansal & Mrs. Sunita Bansal
28	Grow Money Capital Pvt. Ltd.	06-08-2024	5.00	5.00	Personal Guarantee of Mr. Gopal Bansal
29	Vivriti Capital Limited-T1	28-09-2024	5.00	2.69	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
30	Vivriti Capital Limited-T2	28-09-2024	5.00	2.90	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal

31	Kissandhan Agri Financial Services	14-10-2024	5.00	3.08	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
32	Electronica Finance Limited	22-10-2024	5.00	3.07	Personal Guarantee of Mr. Gopal Bansal
33	Poonawalla Fincorp Limited	19-11-2024	10.00	7.78	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
34	Capital Small Finance Bank	25-06-2025	10.00	8.73	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
35	A.K. Capital Finance Limited	26-06-2025	20.00	8.65	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
36	Manappuram Finance Limited TL-2	25-07-2025	7.00	6.73	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
37	Paul Merchants Finance Private Limited	11-08-2025	10.00	9.52	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
38	Ambit Finvest Private Limited TL-3	25-08-2025	10.00	9.95	Personal Guarantee of Mr. Gopal Bansal & Ms. Sunita Bansal
39	Shriram Finance Ltd	10-09-2025	10.00	9.99	Personal Guarantee of Mr. Gopal Bansal
40	Sonal Mercantile Limited (BSE Listed NBFC)	22-09-2025	10.00	0.00	Personal Guarantee of Mr. Gopal Bansal
			348.50	183.44	