

Suresh Surana & Associates LLP

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LLP Identity No. AAB-7509

INDEPENDENT AUDITORS' REPORT

To
The Members of
IIHFL SALES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of IIHFL Sales Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

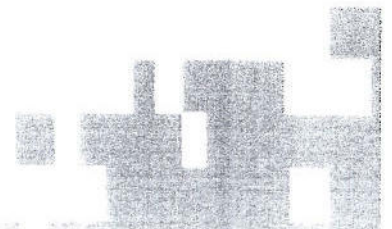
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

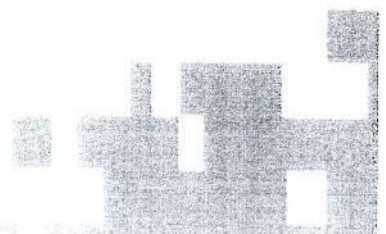
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

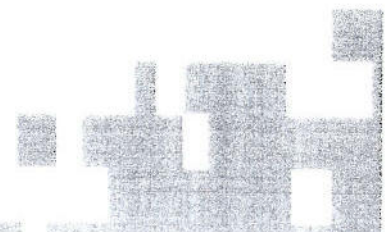
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

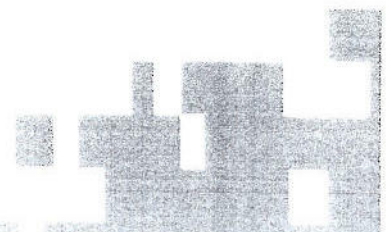
The comparative financial statements of the Company for the year ended 31 March 2023 have been audited by the predecessor auditor, "M.P. Chitale & Co.", whose reports dated 24 April 2023, expressed an unmodified opinion on those financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 it appears from our examination of those books;
 - c) The Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Loss), Statement of Changes in Equity, and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended



- e) On the basis of written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion and according to the information and explanations given to us, the requirements of Section 197(16) of the Act is not applicable to the Company during the Year since neither remuneration nor sitting fees was paid by the Company to its directors during the Year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - 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. (a) The management has represented that, to the best of its knowledge and belief, as mentioned in 26(xv)(i) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of its knowledge and belief, as mentioned in note 26(xv)(ii), no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024 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 softwares. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

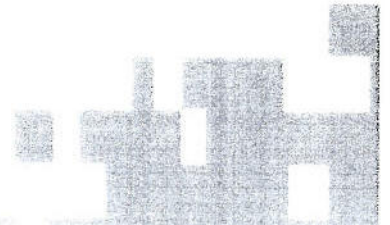
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.121750W / W-100010

Ramesh Gupta
Partner
Membership No. 102306
UDIN: 24102306BKCGAJ2830

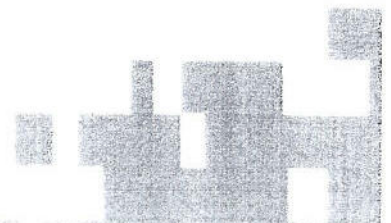


Place: Mumbai
Date: 06 May 2024



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- I. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of Right of Use Assets.
 - (B) According to the information and explanations given to us, there are no intangible assets during the year. Hence reporting under clause 3(i)() of the Order is not applicable, to the Company.
 - (b) The Company has program of physical verification of Property, Plant and Equipment once in every three years, which in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, all the Property, Plant and Equipment have been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. Hence, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment and during the year.
 - (e) According to 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.
- II. (a) The Company does not have any inventory and hence, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- III. (a) According to information and explanations given to us, during the year, the Company has not made any investments or provided any guarantee or security during the year.
- (b) The Company has not provided any loans or advances in the nature of loans or stood guarantee or security, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year,
- (c) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company.
- IV. According to information and explanations given to us, the Company has not granted any loan, secured or unsecured, made any investments, or provided any guarantee or security to the parties covered under Section 185 and Section 186 of the Act during the year. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

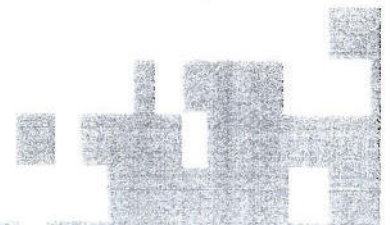


- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 75 of the Act and the rules made thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- VI. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- VII. In respect of statutory dues:
- a. According to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, income tax, goods and service tax, cess and any other statutory dues as applicable to the appropriate authorities except there have been significant delays in payment of professional tax for certain states. According to the information and explanations given to us, the following undisputed amount in respect of professional tax were outstanding for a period of more than 6 months from the date they became payable.

Name of the statute	Nature of the dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of payment	Remarks, if any
Professional Tax Act, Gujrat	Professional Tax	2,900	Jan-22	15-Apr-22	Unpaid upto the date of the report	
	Professional Tax	6,000	Feb-22	15-Apr-22		
	Professional Tax	6,800	Mar-22	15-Apr-22		
	Professional Tax	5,200	Apr-22	15-July-22		
	Professional Tax	3,400	May-22	15-July-22		
	Professional Tax	3,800	Jun-22	15-July-22		
	Professional Tax	4,400	July-22	15-Oct-22		
	Professional Tax	5,400	Aug-22	15-Oct-22		
	Professional Tax	6,400	Sep-22	15-Oct-22		
	Professional Tax	7,600	Oct-22	15-Jan-23		
	Professional Tax	8,400	Nov-22	15-Jan-23		
	Professional Tax	11,400	Dec-22	15-Jan-23		
	Professional Tax	13,400	Jan-23	15-Apr-23		
	Professional Tax	13,000	Feb-23	15-Apr-23		
	Professional Tax	12,800	Mar-23	15-Apr-23		
	Professional Tax	11,400	Apr-23	15-July-23		
	Professional Tax	12,200	May-23	15-July-23		
	Professional Tax	11,600	June-23	15-July-23		
	Professional Tax	10,800	July-23	15-Oct-23		
	Professional Tax Act, Tamil Nadu	Professional Tax	20,465	Dec-21 to March-22		01-Apr-22
Professional Tax		76,595	April-22 to September -22	01-Oct-22		
Professional Tax		92,505	October-22 to March-23	01-Apr-23		
Professional Tax		88,620	April -23 to September -23	01-Oct-23		
	Total	4,58,285				



- b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of statutory nature which have not been deposited with the appropriate authorities on account of any dispute.
- VIII. According to information and explanations given to us, no unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX. In respect of borrowings:
- (a) According to information and explanations given to us, the Company has not defaulted in repayment of dues to any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the Company has not obtained any term loan during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis, have, prima facie, not been used for long term purposes by the Company during the year.
- (e) According to the information and explanations given to us, and on the basis of our examination of books of accounts, the Company does not have any subsidiary or associate, hence reporting under clause 3(ix)(e) and 3(ix)(f) of the order is not applicable to the Company.
- X. (a) According to the information and explanations given to us, the Company has not raised money by way of public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- XI. In respect of frauds and whistle blower complaints:
- (a) No fraud by the Company or on the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of our audit procedure.
- XII. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- XIII. According to the information and explanations given to us, in our opinion, transactions with related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons



connected with them during the year. Accordingly, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. In respect of the Reserve Bank of India Act, 1934:

- (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 the Company has not conducted any Non-Banking Finance or Housing Finance activity during the year. Accordingly, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3(xvi)(c) of the Order is not applicable.
- (c) In our opinion, there is no Core Investment Company within the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

XVII. According to the information and explanations given to us, the Company has not incurred cash losses during the financial year or in the immediately preceding financial year.

XVIII. During the year, M.P. Chitale & Co., the Statutory auditors of the Company have resigned with effect from 11 July 2023, consequent to Company's request to align its auditors across group entities. As informed,, there were no issues, objections or concerns raised by the outgoing auditors in their resignation letter.

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

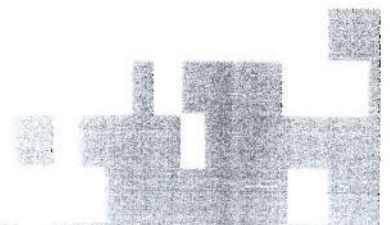
b. There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 22 to the financial statements. Accordingly, the provisions of clause 3 (xx)(b) of the Order is not applicable to the Company.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.121750W / W-100010


Ramesh Gupta
Partner
Membership No. 102306
UDIN: 24102306BKCGAJ2830



Place: Mumbai
Date: 06 May 2024



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of IIFHL Sales Limited 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

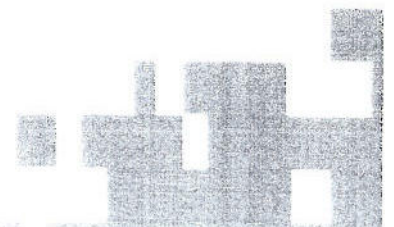
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with



generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to further 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

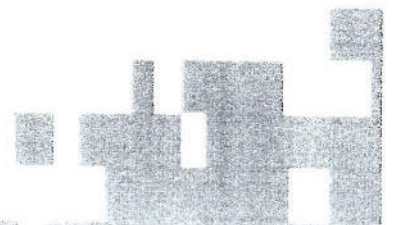
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.121750W / W-100010



Ramesh Gupta
Partner
Membership No. 102306
UDIN: 24102306BKCGAJ2830



Place: Mumbai
Date: 06 May 2024



FINANCIAL STATEMENTS OF IIHFL SALES LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Crores)

Sr. no.	Particulars	Note no.	March 31, 2024	March 31, 2023
	ASSETS			
(1) Non- Current Assets				
(a) Property, plant and equipment	4A	0.19	0.25	
(b) Right of use assets	4B	18.97	22.43	
(c) Current tax assets (Net)		1.77	0.21	
(d) Deferred tax assets (Net)	5	1.16	0.21	
(2) Current Assets				
(a) Financial assets				
(i) Trade receivables	6	5.24	9.34	
(ii) Cash and cash equivalents	7	10.56	6.94	
(b) Other current assets	8	2.61	2.09	
Total Assets			40.50	41.47
	EQUITY AND LIABILITIES			
(1) Equity				
(a) Equity share capital	9	0.05	0.05	
(b) Other equity	10	13.69	14.05	
(2) Non-Current Liabilities				
(a) Financial liabilities				
(i) Lease liabilities	4B	10.56	13.45	
(b) Provisions	13	0.25	0.43	
(3) Current Liabilities				
(a) Financial liabilities				
(i) Lease liabilities	4B	11.93	8.83	
(ii) Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises; and	11	1.27	-	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	11	1.07	2.86	
(b) Other current liabilities	12	0.92	1.35	
(c) Provisions	13	0.76	0.45	
Total Equity and Liabilities			40.50	41.47
See accompanying notes forming part of the financial statements		1-30		

As per our reports attached of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Regn. No. 121750W / W-100010



Ramesh Gupta
Partner
Membership No.: 102306



For and on behalf of the Board of Directors of
IIHFL Sales Limited



Ajay Jaiswal
Director
DIN: 01618047



Gaurav Seth
Director
DIN: 10520462



Place: Mumbai

Place: Mumbai

Place: Mumbai
Date: May 06, 2024

FINANCIAL STATEMENTS OF IIFL SALES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crores except otherwise stated)

Sr. no.	Particulars	Note no.	FY 2023-24	FY 2022-23
1	Income			
(I)	Revenue from operations	14	29.16	22.75
(II)	Other income	15	20.53	24.53
(III)	Total Income (I+II)		49.69	47.28
2	Expenses			
(i)	Employee benefits expenses	16	33.31	22.82
(ii)	Finance costs	17	2.58	1.56
(iii)	Depreciation, and amortisation	4A-4B	11.85	5.22
(iv)	Other expenses	18	2.57	2.82
(IV)	Total Expenses (i+ii+iii+iv)		50.31	32.42
(V)	Profit/(Loss) before tax (III-IV)		(0.62)	14.86
3	Tax Expense:			
(i)	Current tax	19	0.71	3.72
(ii)	Deferred tax	19	(0.95)	(0.11)
(iii)	Tax of earlier years	19	-	(0.01)
(VI)	Total Tax expenses		(0.24)	3.60
(VII)	Profit/(Loss) for the year (V-VI)		(0.38)	11.26
(VIII)	Other Comprehensive Income/(Loss)			
A (i)	Items that will not be reclassified to profit or loss		-	-
(a)	Remeasurement of defined benefit liabilities/(assets)		0.02	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss*		(0.00)	-
Subtotal (A)			0.02	-
B (i)	Items that will be reclassified to profit or loss		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)			-	-
Other Comprehensive Income/(Loss) (A+B)			0.02	-
(IX)	Total Comprehensive Income/(Loss) for the year		(0.36)	11.26
(X)	Earnings per equity share of face value of Rs. 10 each			
	Basic (Rs.)		(0.76)	2,251.41
	Diluted (Rs.)		(0.76)	2,251.41
	See accompanying notes forming part of the financial statements	1-30		

*₹ (42,133) for the year ended March 31, 2024.

As per our reports attached of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Regn. No. 121750W / W-100010


Ramesh Gupta
Partner

Membership No.: 102306

Place: Mumbai
Date: May 06, 2024



For and on behalf of the Board of Directors of
IIFL Sales Limited


Ajay Jaiswal
Director

DIN: 01618047

Place: Mumbai


Gaurav Seth
Director

DIN: 10520462

Place: Mumbai



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Cash Flows from Operating Activities		
Profit before tax	(0.62)	14.86
Add / (Less) Adjustment for:		
Depreciation and amortisation	11.85	5.22
Interest expenses	2.58	1.56
Interest income on security deposits	(0.19)	(0.08)
Loss on sale of fixed assets*	(0.00)	-
Termination gain on right of use assets	(0.24)	-
Operating profit before working capital changes	13.38	21.56
(Increase) / Decrease in non - current assets	0.01	(1.25)
(Increase) / Decrease in current assets	3.84	(6.69)
Increase / (Decrease) in current liabilities	(0.79)	3.64
Cash Generated from Operations	16.44	17.26
Taxes Paid	(2.28)	(4.14)
Net cash generated from/(used in) Operating Activities (A)	14.16	13.12
Cash flow from Investing Activities		
Purchase of property, plant and equipment	(0.14)	(0.33)
Sale of property, plant and equipment	0.08	-
Net Cash used in Investing Activities (B)	(0.06)	(0.33)
Cash flow from Financing Activities		
Proceeds from borrowings	-	8.00
Repayment of borrowings	-	(8.00)
Payment of interest on borrowings	-	(0.19)
Payment of interest on lease liabilities	(2.58)	(1.37)
Payment of lease liabilities	(7.90)	(5.18)
Net Cash from/(used in) Financing Activities (C)	(10.48)	(6.74)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	3.62	6.05
Add : Cash and cash equivalents at the beginning of the year	6.94	0.89
Cash and cash equivalents as at the end of the year	10.56	6.94
See accompanying notes forming part of the financial statements		

*₹ (28,908.87) for FY 2023-24

Note: "The above Cash Flows Statement has been prepared under the Indirect method set out in Indian Accounting Standard (IND AS) 7 'Statement of Cash Flows'.

As per our reports attached of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Regn. No. 121750W / W-100010


Ramesh Gupta
Partner

Membership No.: 102306

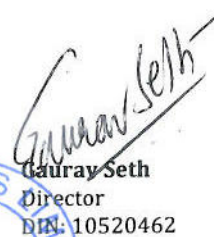
Place: Mumbai
Date: May 06, 2024



For and on behalf of the Board of Directors of
IIFHL Sales Limited


Ajay Jaiswal
Director
DIN: 01618047

Place: Mumbai


Gaurav Seth
Director
DIN: 10520462

Place: Mumbai



FINANCIAL STATEMENTS OF IIHFL SALES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

As at March 31, 2024

(₹ in Crores)

Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
0.05	-	-	-	0.05

As at March 31, 2023

(₹ in Crores)

Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
0.05	-	-	-	0.05

B. Other Equity

As at March 31, 2024

(₹ in Crores)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the year	14.05	-	14.05
Total Comprehensive Income for the year	(0.38)	0.02	(0.36)
Balance at the end of the year	13.67	0.02	13.69

*Represents amounts less than ₹ 50,000

As at March 31, 2023

(₹ in Crores)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the year	2.79	-	2.79
Total Comprehensive Income for the year	11.26	-	11.26
Balance at the end of the year	14.05	-	14.05

See accompanying notes forming part of the financial statements

1-30

As per our reports attached of even date.

For Suresh Surana & Associates LLP

Chartered Accountants

Firm Regn. No. 121750W / W-100010



Ramesh Gupta
Partner

Membership No.: 102306

Place: Mumbai

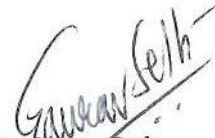
Date: May 06, 2024



For and on behalf of the Board of Directors of
IIHFL Sales Limited

Ajay Jaiswal
Director
DIN: 01618047

Place: Mumbai

Gaurav Seth
Director
DIN: 10520462

Place: Mumbai

IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 1. CORPORATE INFORMATION

(a) Company overview

IIHFL Sales Limited ("IIHFLSL"/ "the Company") (CIN No. U74999MH2021PLC368361), is a wholly owned subsidiary of IIFL Home Finance Limited. The company primary activity involves sourcing of loans for IIFL Home Finance Ltd, for which it receives commission. The company also receives management fees against certain marketing support and other support functions.

Note 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(b) Basis of Preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to crores except when otherwise stated.

(d) Basis of measurements

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair value.



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(e) Use of estimates and judgments

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company applies appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

observable inputs and minimising the use of unobservable inputs.

ii. Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

iii. Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

Note 3. MATERIAL ACCOUNTING POLICIES INFORMATION

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Commission Income

Commission income are accounted for on an accrual basis after rendering the services as per the agreement.

ii. Marketing support and Advertisement Income

Marketing support income are accounted for on an accrual basis after rendering the services as per the agreement.

iii. Other Income

Other income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future economic benefits associated with the item



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

will flow to the Company and the cost of the item can be measured reliably. PPE is stated at cost of acquisition (net of tax), if any, less accumulated depreciation and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(c) Depreciation

Depreciation is charged using the straight-line method, based on the useful life of fixed assets as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase.

The estimated useful life of assets is as under:

Class of assets	Useful Life as per Schedule II Companies Act	Useful life as per Company
Computers	3 years	3 years

Depreciation and amortisation on impaired asset is provided on the revised carrying amount of the asset over its remaining useful life.

(d) Impairment of Assets other than financials assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(e) Employee benefits

i. Defined contribution plans

The Company's contribution towards Provident Fund, Family Pension Fund and ESIC are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and loss.

ii. Defined benefit plans

Short term employee benefits: Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

Long term employee benefits: The obligation recognised in respect of long term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plan above.

(f) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

(g) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Current and deferred tax for the year



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Current and deferred tax are recognised in the Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(h) Financial instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. Purchase and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Classification and Subsequent measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

Impairment of financial assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

(i) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(j) Goods and service tax input credit

Goods and service tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

(k) Segment reporting



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision.

(l) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(m) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Funding related commitment to associate and joint venture companies; and
- c) Other non-cancellable commitments, if any.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year



IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(o) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

(p) Operating Cycle

Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 4A. Property, Plant and Equipment

(₹ in Crores)

Particulars	Computers	Total
Opening Balances	0.02	0.02
Additions	0.38	0.38
Deductions/Adjustments	0.05	0.05
As at March 31, 2023	0.35	0.35
Additions	0.15	0.15
Deductions/Adjustments	0.16	0.16
As at March 31, 2024	0.34	0.34

Particulars		
Accumulated Depreciation		
Opening Balances*	0.00	0.00
Depreciation for the year	0.11	0.11
Deductions/Adjustments	0.01	0.01
As at March 31, 2023	0.10	0.10
Depreciation for the year	0.13	0.13
Deductions/Adjustments	0.08	0.08
As at March 31, 2024	0.15	0.15

Net Block as at March 31, 2023	0.25	0.25
Net Block as at March 31, 2024	0.19	0.19

*Represents amounts less than ₹ 50,000

Note 4B. Leases

Statement showing movement in lease liabilities

(₹ in Crores)

Particulars	Premises	Total
Opening Balances	8.25	8.25
Additions	19.29	19.29
Deductions/Adjustments	0.09	0.09
Finance cost accrued during the year	1.37	1.37
Less: Payment of lease liabilities	6.54	6.54
As at March 31, 2023	22.28	22.28
Additions	9.30	9.30
Deductions/Adjustments	1.19	1.19
Finance cost accrued during the year	2.58	2.58
Less: Payment of lease liabilities	10.48	10.48
As at March 31, 2024	22.49	22.49

Statement showing carrying value of right of use assets

(₹ in Crores)

Particulars	Premises	Total
Opening Balances	7.93	7.93
Additions	19.29	19.29
Deductions/Adjustments	(0.32)	(0.32)
Depreciation	5.11	5.11
As at March 31, 2023	22.43	22.43
Additions	9.30	9.30
Deductions/Adjustments	1.04	1.04
Depreciation	11.72	11.72
As at March 31, 2024	18.97	18.97

Statement showing break up value of the Current and Non - Current Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	11.93	8.83
Non- Current lease liabilities	10.56	13.45



FINANCIAL STATEMENTS OF IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Statement showing contractual maturities of lease liabilities on an undiscounted basis

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Due for		
Up to One year	13.47	10.78
One year to Two years	7.08	10.35
Two to Five years	0.90	4.22
More than Five years	-	-
Total	21.45	25.35

Statement showing amount recognised in Statement of Profit and Loss:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Interest on lease liabilities	2.58	1.37
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-	-
Total	2.58	1.37

Statement showing amount recognised in Statement of Cash Flows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total cash outflow for leases	10.48	6.54

Note 5. Deferred tax assets (Net)

Significant components of deferred tax assets and liabilities as at March 31, 2024 are as follows:

(₹ in Crores)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Expenses deductible in future years:				
Provision for employee benefits	0.15	0.04	(0.00)	0.19
Lease Liability	0.07	0.90	-	0.97
Total deferred tax assets (A)	0.22	0.94	(0.00)	1.16
Deferred tax liabilities:				
Property, plant and equipment*	(0.01)	0.01	-	(0.00)
Total deferred tax liabilities (B)	(0.01)	0.01	-	(0.00)
Deferred tax assets (A+B)	0.21	0.95	(0.00)	1.16

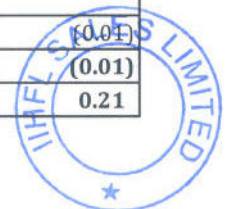
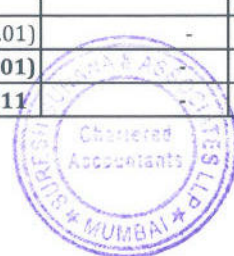
*Represents amounts less than ₹ 50,000

Significant components of deferred tax assets and liabilities as at March 31, 2023 are as follows:

(₹ in Crores)

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:				
Property, plant and equipment	-	-	-	-
Expenses deductible in future years:				
Provision for employee benefits	0.02	0.13	-	0.15
Lease Liability	0.08	(0.01)	-	0.07
Total deferred tax assets (A)	0.10	0.12	-	0.22
Deferred tax liabilities:				
Property, plant and equipment*	(0.00)	(0.01)	-	(0.01)
Total deferred tax liabilities (B)	(0.00)	(0.01)	-	(0.01)
Deferred tax assets (A+B)	0.10	0.11	-	0.21

*Represents amounts less than ₹ 50,000



FINANCIAL STATEMENTS OF IIFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 6. Trade Receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables, considered good - unsecured	5.24	9.34
Total - gross	5.24	9.34
Less: Impairment loss allowance	-	-
Total	5.24	9.34

No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

Trade Receivables are not interest bearing.

Trade Receivables ageing schedule

(₹ in Crores)

Particulars	Outstanding for following period from date of transaction Less than 6 Months	Total
As at March 31, 2024		
Undisputed Trade receivables –considered good.	5.24	5.24
As at March 31, 2023		
Undisputed Trade receivables –considered good.	9.34	9.34

Note 7. Cash and cash equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balance with banks		
-In current accounts	1.95	6.94
Fixed deposits (original maturity less than or equal to three months)	8.61	-
Total	10.56	6.94

Note 8. Other current assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	2.07	1.80
Prepaid Expenses	0.41	0.20
Others	0.13	0.09
Total	2.61	2.09

Note 9. Equity share Capital

(a) The Authorised, Issued, Subscribed and fully paid up Share capital
Share Capital:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
50,000 Equity Shares of ₹10/- each	0.05	0.05
Total	0.05	0.05
Issued, Subscribed and Paid Up		
Equity Share Capital		
50,000 Equity Shares of ₹10/- each	0.05	0.05
Total	0.05	0.05

All the above equity shares are held by IIFL Home Finance Limited and its nominees.



FINANCIAL STATEMENTS OF IIFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

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

(₹ in crores except otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	50,000	0.05	50,000	0.05
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	0.05	50,000	0.05

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividend, if any, proposed by the Board of Directors and approved by the Shareholders at the 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 preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(d) Details of shareholders holding more than 5% shares in the Company:

(₹ in crores except otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of 10 each fully paid				
IIFL Home Finance Limited and its nominees (includes 6 equity shares held by nominees)	50,000	100.00%	50,000	100.00%

(e) Since inception, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares

(₹ in Crores)

Particulars	Promoter Name	No of Shares*	% of Total Shares	% Change during the year
As at March 31, 2024	IIFL Home Finance Limited	50,000	100.00%	-
As at March 31, 2023	IIFL Home Finance Limited	50,000	100.00%	-

*Shares held by IIFL Home Finance Limited and its nominees

Note 10. Other Equity

As at March 31, 2024

(₹ in Crores)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Re-measurement Gains on defined benefit plans (Net of tax)	
Balance at the beginning of the year	14.05	-	14.05
Total Comprehensive Income for the year	(0.38)	0.02	(0.36)
Balance at the end of the year	13.67	0.02	13.69

As at March 31, 2023

(₹ in Crores)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Re-measurement Gains on defined benefit plans (Net of tax)	
Balance at the beginning of the year	2.79	-	2.79
Total Comprehensive Income for the year	11.26	-	11.26
Balance at the end of the year	14.05	-	14.05



FINANCIAL STATEMENTS OF IHFL SALES LIMITED
Notes forming part of Financial Statements as at and for the year ended March 31, 2024
Note 11. Trade Payables
(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
-total outstanding dues of micro enterprises and small enterprises; and	1.27	-
-total outstanding dues of creditors other than micro enterprises and small enterprises.	1.07	2.86
Total	2.34	2.86

Note 11A. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSME Act, 2006.

(₹ in Crores)

Particulars	FY 2023-2024	FY 2022-2023
(a) Principal amount remaining unpaid to any supplier at the year end	1.27	-
(b) Interest due thereon remaining unpaid to any supplier at the year	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

No interest has been paid / is payable by the Company during the year to the Suppliers registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

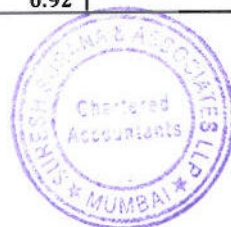
Trade Payables ageing schedule
(₹ in Crores)

Particulars	Outstanding for following period from date of transaction		Total
	Unbilled	Less than 1 Year	
As at March 31, 2024			
(i) MSME	1.27	-	1.27
(ii) Others	0.67	0.40	1.07
(iii) Disputed dues-MSME	-	-	-
(iv) Disputed dues-Others	-	-	-
As at March 31, 2023			
(i) MSME	-	-	-
(ii) Others	2.25	0.61	2.86
(iii) Disputed dues-MSME	-	-	-
(iv) Disputed dues-Others	-	-	-

Note: The Company does not have any disputed Trade Payables.

Note 12. Other Current Liabilities
(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances	0.92	1.35
Total	0.92	1.35



FINANCIAL STATEMENTS OF IIHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 13. Provisions

(₹ in Crores)

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provisions for Employee Benefits				
-Provision for Leave Encashment	0.10	0.31	0.32	0.10
-Provision for Gratuity	0.15	0.12	-	0.00
-Provision for Bonus	-	-	0.44	0.35
Total	0.25	0.43	0.76	0.45

*Represents amounts less than ₹ 50,000

Note 13.1. Provision for Leave Encashment

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening provision	0.41	0.05
Additions	0.27	0.43
Reductions	(0.26)	(0.07)
Closing provision	0.42	0.41

Note 13.2. Provision for Gratuity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening provision	0.12	0.04
Additions	0.21	0.08
Reductions*	(0.18)	(0.00)
Closing provision	0.15	0.12

*Represents amounts less than ₹ 50,000

Note 13.3. Provision for Bonus

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening provision	0.35	0.12
Additions	0.44	0.35
Reductions	(0.35)	(0.12)
Closing provision	0.44	0.35

Note 14. Revenue from Operations

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Referral Fee Income	22.74	15.65
Distribution Commission	6.42	7.10
Total	29.16	22.75

Note 15. Other Income

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Marketing Support Income	11.31	21.43
Interest Income		
Interest on Fixed Deposits	0.64	-
Interest on Security Deposits	0.19	0.08
Miscellaneous Income	8.39	3.02
Total	20.53	24.53



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 16. Employee Benefits Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Salaries and wages	30.08	20.82
Contribution to provident and other funds (Refer Note 16.1)	1.94	1.31
Leave Encashment	0.26	0.42
Gratuity(Refer Note 16.2)	0.20	0.08
Staff welfare expenses	0.83	0.19
Total	33.31	22.82

16.1 Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in the Employee Benefits Expenses.

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Contribution to Provident fund	0.61	0.42
Contribution to ESIC	0.28	0.19
Contribution to Labour Welfare Fund*	0.01	0.00
Company contribution to EPS	1.04	0.70
Total	1.94	1.31

*Represents amounts less than ₹ 50,000

16.2 Disclosures pursuant to Ind AS 19 on "Employee Benefits"

Particulars	FY 2023-24	FY 2022-23
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded	Unfunded
Starting Year	01-04-23	01-04-22
Date of Reporting	31-03-24	31-03-23
Period of Reporting	12 Months	12 Months

Assumptions (Current Year)

Particulars	FY 2023-24	FY 2022-23
Expected Return on Plan Assets	7.21%	7.39%
Rate of Discounting	7.21%	7.39%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Table Showing Change in the Present Value of Projected Benefit Obligations

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Present Value of Benefit Obligation at the Beginning of the Year	0.12	0.04
Interest Cost	0.01	-
Current Service Cost	0.20	0.08
Past Service Cost	-	-
Liability Transferred In/ Acquisitions*	0.00	-
Liability Transferred Out/ Divestment*	(0.00)	(0.00)
Benefit Paid Directly by the Employer	-	-
Benefit Paid From the Fund	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial	0.01	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.02)	-
Present Value of Benefit Obligation at the End of the Year	0.32	0.12

*Represents amounts less than ₹ 50,000



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Table Showing Change in the Fair Value of Plan Assets

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Fair Value of Plan Assets at the Beginning of the Year	-	-
Interest Income*	0.00	-
Contributions by the Employer	0.16	-
Benefit Paid from the Fund	-	-
Return on Plan Assets, Excluding Interest Income	0.01	-
Fair Value of Plan Assets at the End of the Year	0.17	-

*Represents amounts less than ₹ 50,000

Actual Return on Plan Assets

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Interest Income*	0.00	-
Return on Plan Assets, Excluding Interest Income	0.01	-
Actual Return on Plan Assets	0.01	-

*Represents amounts less than ₹ 50,000

Amount Recognised in the Balance Sheet

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Present Value of Benefit Obligation at the end of the Year	(0.32)	(0.12)
Fair Value of Plan Assets at the end of the Year	0.17	-
Funded Status Surplus/ (Deficit)	(0.15)	(0.12)
Net (Liability)/Asset Recognised in the Balance Sheet	(0.15)	(0.12)

Net Interest Cost

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Present Value of Benefit Obligation at the Beginning of the Year	0.12	0.04
Fair Value of Plan Assets at the Beginning of the Year	-	-
Net Liability/(Asset) at the Beginning of the Year	0.12	0.04
Interest Cost	0.01	-
Interest Income*	(0.00)	-
Net Interest Cost	0.01	-

*Represents amounts less than ₹ 50,000

Expenses Recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Current Service Cost	0.20	0.08
Net Interest Cost	0.01	-
Past Service Cost	-	-
Expenses Recognised	0.21	0.08

Expenses Recognised in the Other Comprehensive Income (OCI)

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Actuarial (Gains)/Losses on Obligation For the Year	(0.01)	-
Return on Plan Assets, Excluding Interest Income	(0.01)	-
Net (Income)/Expense For the Year Recognised in OCI	(0.02)	-

Balance Sheet Reconciliation

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	0.12	0.04
Expenses Recognised in Statement of Profit and Loss	0.21	0.08
Expenses Recognised in OCI	(0.02)	-
Net Liability/(Asset) Transfer In*	0.00	-
Net (Liability)/Asset Transfer Out*	(0.00)	(0.00)
Benefit Paid directly by the Employer	-	-
Employer's Contribution	(0.16)	-
Net Liability/(Asset) Recognised in the Balance Sheet	0.15	0.12

*Represents amounts less than ₹ 50,000



FINANCIAL STATEMENTS OF IHHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Current and Non-Current Liability

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Liability*	(0.15)	0.00
Non-Current Liability	-	0.12
Net Liability/(Asset) Recognized in the Balance Sheet	(0.15)	0.12

*Represents amounts less than ₹ 50,000

Maturity Analysis of the Benefit Payments: From the Employer

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year*	0.00	0.00
2nd Following Year*	0.00	0.00
3rd Following Year*	0.00	0.00
4th Following Year*	0.00	0.00
5th Following Year*	0.00	0.00
Sum of Years 6 To 10	0.02	0.01
Sum of Years 11 and above	1.87	0.72

*Represents amounts less than ₹ 50,000

Other Details

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
No of Active Members	945	780
Per Month Salary For Active Members	1.24	0.94
Average Expected Future Service	8	7
Weighted Average Duration of Defined Benefit Obligation	26	26
Defined Benefit Obligation (DBO)	0.32	0.12
DBO Non Vested Employees	0.32	0.12
DBO Vested Employees	-	-
Expected Contribution in the Next Year	0.46	-

Sensitivity Analysis

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions	0.32	0.12
Delta Effect of +1% Change in Rate of Discounting	(0.08)	(0.03)
Delta Effect of -1% Change in Rate of Discounting	0.06	0.02
Delta Effect of +1% Change in Rate of Salary Increase	0.09	0.03
Delta Effect of -1% Change in Rate of Salary Increase	(0.07)	(0.03)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.03)	(0.01)
Delta Effect of -1% Change in Rate of Employee Turnover	0.03	0.01

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Expenses to be Recognized in the Statement of Profit or Loss for Next Year

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Service cost	0.31	0.20
Net Interest Cost	0.01	0.01
Expenses Recognized in the Statement of Profit or Loss	0.32	0.21



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from entity as and when it becomes due and is paid as per entity scheme for Gratuity.

Para 139 (b) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Note 17. Finance Costs

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Interest on inter corporate deposits	-	0.19
Interest on lease liabilities	2.58	1.37
Total	2.58	1.56

Note 18. Other Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Advertisement	0.02	0.25
Marketing Expenses	0.02	0.01
Electricity	0.02	0.01
Exchange and Statutory charges*	0.00	0.02
Legal & Professional Fees	0.35	0.21
Rent	1.31	2.20
Repairs & Maintenance - others	0.02	0.02
Payments to auditors**	0.08	0.08
Travelling & Conveyance	0.02	0.01
Corporate Social Responsibility (CSR) Expenses(Refer note 22)	0.19	-
Loss on sale of assets*	(0.00)	-
Miscellaneous Expenses	0.55	0.01
Total	2.57	2.82

*Represents amounts less than ₹ 50,000

**Payments to auditors

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Statutory audit fees	0.07	0.07
Limited Review	0.01	0.01
Total	0.08	0.08

Note 19. Tax Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Current tax expense		
Current year	0.71	3.72
Tax of earlier years	-	(0.01)
Deferred tax expense		
Origination and reversal of temporary differences	(0.95)	(0.11)
Total	(0.24)	3.60



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Reconciliation of total tax expense

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Profit before tax	(0.62)	14.86
Tax using the domestic tax rate	(0.16)	3.74
Reduction in tax rates		
Tax effect of:		
Non-deductible expenses	0.05	0.01
Tax-exempt income including deduction	(0.13)	(0.14)
Tax of earlier years	-	(0.01)
Total income tax expense	(0.24)	3.60

Note 20 A. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk management is integral to Company's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing.

20 A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans and other receivables.

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

Financial Assets measured at Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Trade Receivables, Unsecured Inter Corporate Deposits to group companies and Other Financial Assets. The application of simplified approach does not require the Company to track changes in credit risk. The Management of the Company expects no defaults in the above mentioned financial assets.

20 A.1(I) Credit quality analysis

(a). The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in Crores)

As at March 31, 2024					
Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured at Simplified Approach	Total
Cash and cash equivalents	-	-	-	10.56	10.56
Receivables					
(i) Trade Receivables	-	-	-	5.24	5.24

(₹ in Crores)

As at March 31, 2023					
Particulars	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured at Simplified Approach	Total
Cash and cash equivalents	-	-	-	6.94	6.94
Receivables					
(i) Trade Receivables	-	-	-	9.34	9.34



FINANCIAL STATEMENTS OF IIFL SALES LIMITED**Notes forming part of Financial Statements as at and for the year ended March 31, 2024****20 A.2 Liquidity Risk**

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings.

20 A.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a Financial Instruments will fluctuate due to changes in market variables.

Changes in the value of Financial instruments may result from changes in interest rate, credit, liquidity and other Market changes.

20 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The Company do not have any borrowings as on Balance sheet date.

20.B.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

Particulars	As at March 31, 2024	As at March 31, 2023
Net Debt (₹ in Crores)	-	-
Total Equity (₹ in Crores)	13.74	14.10
Net Debt to Equity Ratio (times)	-	-

20.B.2 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

The following table shows an analysis of financial instruments:

Particulars	As at March 31, 2024		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	10.56
Receivables			
(i) Trade Receivables	-	-	5.24
Total Financial assets	-	-	15.80
Financial liabilities			
Trade Payables	-	-	2.34
Finance Lease Obligation	-	-	22.49
Total Financial liabilities	-	-	24.83

(₹ in Crores)



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

(₹ in Crores)

Particulars	As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	6.94
Receivables			
(i) Trade Receivables	-	-	9.34
Total Financial assets	-	-	16.28
Financial liabilities			
Trade Payables	-	-	2.86
Finance Lease Obligation	-	-	22.28
Total Financial liabilities	-	-	25.14

20.B.3 Financial instruments measured at fair value – Fair value hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
		NIL		
As at March 31, 2023				
		NIL		

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

(i) Financial assets and liabilities: For financial assets and financial liabilities that have a Current and Non-Current nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, trade payables, lease liabilities, other financial assets & liabilities.

Valuation technique used to determine fair value

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
2. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
3. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.



FINANCIAL STATEMENTS OF IIFL SALES LIMITED
Notes forming part of Financial Statements as at and for the year ended March 31, 2024
(₹ in Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
As at March 31, 2024			
Financial assets			
Cash and cash equivalents	10.56	10.56	Level 1
Receivables			
(i) Trade Receivables	5.24	5.24	Level 3
Total Financial assets	15.80	15.80	
Financial Liabilities			
Trade Payables	2.34	2.34	Level 3
Lease Liabilities	22.49	22.49	Level 3
Total Financial liabilities	24.83	24.83	

(₹ in Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Fair value	Carrying value	Fair value hierarchy
As at March 31, 2023			
Financial assets			
Cash and cash equivalents	6.94	6.94	Level 1
Receivables			
(i) Trade Receivables	9.34	9.34	Level 3
Total Financial assets	16.28	16.28	
Financial Liabilities			
Trade Payables	2.86	2.86	Level 3
Lease Liabilities	22.28	22.28	Level 3
Total Financial liabilities	25.14	25.14	

21.A. Related Party Disclosures as per Ind AS – 24 “Related Party Disclosure”

Nature of relationship	Name of Party
Ultimate Holding Company	IIFL Finance Limited
Holding company	IIFL Home Finance Limited
Other Related Parties (Due to common Promoter)	IIFL Securities Limited
	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited)**
Key Management Personnel and other Directors	Mr. Gaurav Seth -Additional Director(w.e.f. February 26, 2024)
	Mr. Amit Kumar Gupta - Director (upto February 26, 2024)
	Mr. Ajay Jaiswal - Director
	Ms. Rashmi Priya- Director

List includes related parties with whom transactions were carried out during current year.

**IIFL Samasta Finance Limited was an associate of our Holding Company till July 27,2022.



FINANCIAL STATEMENTS OF IIFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

21.B. Significant transactions with related parties:

(₹ in Crores)

Nature of Transaction	Ultimate Holding Company	Holding Company	Other related parties	Key Managerial Personnel	Total
Interest Expense					
IIFL Home Finance Limited	-	-	-	-	-
	-	(0.19)	-	-	(0.19)
Referral Fee Income					
IIFL Home Finance Limited	-	22.74	-	-	22.74
	-	(15.65)	-	-	(15.65)
ICD Taken					
IIFL Home Finance Limited	-	-	-	-	-
	-	(8.00)	-	-	(8.00)
ICD Returned					
IIFL Home Finance Limited	-	-	-	-	-
	-	(8.00)	-	-	(8.00)
Allocation of expenses paid					
IIFL Securities Limited	-	-	0.01	-	0.01
	-	-	(0.01)	-	(0.01)
IIFL Home Finance Limited	-	0.11	-	-	0.11
	-	(0.30)	-	-	(0.30)
IIFL Finance Limited	0.03	-	-	-	0.03
	(1.23)	-	-	-	(1.23)
Reimbursement paid					
IIFL Home Finance Limited	-	0.01	-	-	0.01
	-	(0.12)	-	-	(0.12)
IIFL Finance Limited*	-	-	-	-	-
	(0.00)	-	-	-	(0.00)
Allocation of expenses received					
IIFL Home Finance Limited	-	8.58	-	-	8.58
	-	(2.56)	-	-	(2.56)
IIFL Finance Limited	-	-	-	-	-
	(0.07)	-	-	-	(0.07)
Reimbursement received					
IIFL Home Finance Limited	-	0.01	-	-	0.01
	-	(0.01)	-	-	(0.01)
Purchase of Fixed Asset*					
IIFL Securities Limited*	-	-	-	-	-
	-	-	(0.00)	-	(0.00)
IIFL Home Finance Limited	-	0.03	-	-	0.03
	-	(0.38)	-	-	(0.38)
IIFL Finance Limited*	-	-	-	-	-
	(0.00)	-	-	-	(0.00)
Sale of Fixed Asset					
IIFL Home Finance Limited	-	0.01	-	-	0.01
	-	(0.01)	-	-	(0.01)
IIFL Finance Limited	0.08	-	-	-	0.08
	(0.03)	-	-	-	(0.03)

21.C. Closing balance:

(₹ in Crores)

Nature of Transaction	Ultimate Holding	Holding Company	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company*					
IIFL Securities Limited*	-	-	0.00	-	0.00
	-	-	(0.00)	-	(0.00)
Receivable from Group/Holding Company					
IIFL Finance Limited	0.01	-	-	-	0.01
	(0.01)	-	-	-	(0.01)
IIFL Home Finance Limited	-	4.99	-	-	4.99
	-	(2.43)	-	-	(2.43)

*Represents amounts less than ₹ 50,000



FINANCIAL STATEMENTS OF IIFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

Note 22. Corporate Social Responsibility

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Gross amount required to be spent by the Company during the year	0.19	-
(b) Nature of CSR activities:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above -Road Safety Campaign	0.19	-

Corporate Social Responsibility provisions are applicable for current year.

(i) No amount has been spent by the Company for the construction/acquisition of any new asset during the year ended 31 March 2024 and year ended 31 March 2023.

(ii) There have been no related party transactions during the year ended 31 March 2024 and 31 March 2023 in respect of CSR activities.

Note 23. Earnings Per Share:

Basic and Diluted Earnings per share ["EPS"] computed in accordance with Ind AS 33 "Earnings per share"

(₹ in crores except otherwise stated)

Particulars		FY 2023-24	FY 2022-23
Nominal value of equity shares in ₹ fully paid up		10	10
BASIC			
Profit after tax as per Statement of Profit and Loss (Total operations)	A	(0.38)	11.26
Weighted Average Number of Equity Shares Outstanding	B	50,000	50,000
Basic EPS (In ₹) (i) Total operations	A/B	(0.76)	2,251.41
DILUTED			
Weighted Average Number of Equity shares for computation of diluted EPS	C	50,000	50,000
Diluted EPS (In ₹) (i) Total operations	A/C	(0.76)	2,251.41

Note 24. Disclosure as per Ind AS -108 "Operating Segments"

The Company's main business is sourcing of loans/Financial Products for which it receives commission. The Company also provides various marketing support and advertisement services. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Segment Reporting'.

Note 25. Contingent Liabilities and Commitments as at Balance Sheet date

a. Contingent Liabilities: Nil

b. Commitments: Nil

Note 26: Additional Regulatory Information under Notification dated March 24, 2021

(i) Title deeds of Immovable

(ii) The Company does not have any investment property as on Balance Sheet Date.

(iii) The Company has not revalued its Property, Plant and Equipment (Including Right -of-use Assets) as on Balance sheet date.

(iv) The Company does not have any Intangible Assets as on Balance sheet date.

(v) The Company has not grant any Loans and advances to promoters,directors,KMP's and other related parties.

(vi) The Company does not have any CWIP(Capital work in progress) as on Balance Sheet Date.

(vii) The Company does not have any Intangible assets under development as on Balance Sheet Date.

(viii) **Benami Property** : There are no proceedings initiated or pending against the company for holding any Benami property as on Balance sheet date.

(ix) The Company does not have any outstanding borrowings as on Balance Sheet Date.

(x) **Wilful Defaulter**: The Company has not been declared a wilful defaulter by any bank or Financial Instituion or other lender.

(xi) **Relationship with struck off Companies** : During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(xii) **Registration of charges or satisfaction with Registrar of Companies (ROC)**: There are no outstanding borrowings, hence there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

(xiii) **Compliance with number of layers of companies**: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.



FINANCIAL STATEMENTS OF IHHFL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

(xiv) Ratios

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance	Reasons
(a) Current Ratio* (in times)	Current Assets	Current liabilities	4.6	3.9	16.09%	
(b) Debt - Equity Ratio (in times)	Total debt (short term + long term)	Shareholders Equity	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(c) Debt Service Coverage Ratio (in times)	Earnings available for debt services	Debt Service	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(d) Return on Equity Ratio (in %)	Net Profit after Taxes	Average Shareholder's Equity	-1%	40%	-41%	During the current year, there has been a decrease in Net Profit of the Company and hence, the return on equity has decreased during the year.
(e) Inventory Turnover Ratio	Revenue from operations	Average Inventory	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(f) Trade Receivables Turnover Ratio# (in times)	Revenue from operations	Average Trade Receivables	4.00	4.87	-17.87%	
(g) Trade Payables Turnover Ratio# (in times)	Other Expenses	Average Trade Payables	0.99	1.64	-39.98%	During the current year, there has been a decrease in Other Expenses, hence the Trade Payables Turnover Ratio has decreased.
(h) Net Capital Turnover Ratio*# (in times)	Revenue from operations	Working capital	2.12	1.61	31.43%	During the current year, there has been an increase in revenue from operations and decrease in working capital.
(i) Net Profit Ratio (in %)	Net profit after tax	Revenue from operations	-1%	49%	-51%	During the current year, there has been an increase in Employee Benefit Expenses and Finance cost.
(j) Return on Capital Employed* (in %)	Earnings before interest and tax	Capital employed	-4%	105%	-110%	Return on capital employed has reduced due to loss incurred during the year on account of increase in employee benefits expense and depreciation.
(k) Return on Investments	Benefit of the investment	Cost of Investments	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Formulas for Computation of Ratios are as follows:

- (a) Current Ratio is Current Assets/Current Liabilities.
- (d) Return on Equity Ratio is Net Profits after taxes/ Shareholder's Equity.
- (f) Trade Receivables Turnover Ratio is Revenue from operations/ Average Trade Receivables.
- (g) Trade Payables Turnover Ratio is Other Expense/ Average Trade Payables.
- (h) Net Capital Turnover Ratio is Revenue from operations/Working Capital.
- (i) Net Profit Ratio is Net Profits after taxes/Total Income.
- (j) Return on Capital Employed is Earnings before Interest and taxes/Capital Employed.

*Lease Liability has been excluded while calculating working capital and capital employed
Turnover includes Revenue from Operations

(xv) Utilisation of Borrowed funds and share premium:

During the financial year ended 31st March 2024, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.



FINANCIAL STATEMENTS OF IIFHL SALES LIMITED

Notes forming part of Financial Statements as at and for the year ended March 31, 2024

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xvi) **Undisclosed Income:** The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

(xvii) **Details of Crypto Currency or Virtual Currency:** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 27. These financial statements were authorised for issue by the Company's Board of Directors on May 06, 2024.

Note 28. The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial results in the period in which the code becomes effective and related rules are published.

Note 29. Previous years figures have been regrouped or reclassified wherever necessary to conform to current period's presentation.

Note 30. The comparative financial statements of the Company for the year ended March 31, 2023 have been audited by the predecessor auditor, "M.P. Chitale & Co."

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Regn. No. 121750W / W-100010


Ramesh Gupta
Partner

Membership No.: 102306

Place: Mumbai
Date: May 06, 2024



For and on behalf of the Board of Directors of IIFHL Sales Limited


Ajay Jaiswal
Director

DIN: 01618047
Place: Mumbai



Gaurav Seth
Director

DIN: 10520462
Place: Mumbai