IIFL Home Finance Ltd.
Integrated Annual
Report 2023-24

IIFL HOME LOAN

India's leading affordable housing finance company

We, for you.

Digital | Resilient | Sustainable

About the Report

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

Our Approach to Reporting

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

Reporting Period, Scope, and Boundary

The reporting period for this Integrated Report is from April 1, 2023, to March 31, 2024.

Reporting Standards and Frameworks

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

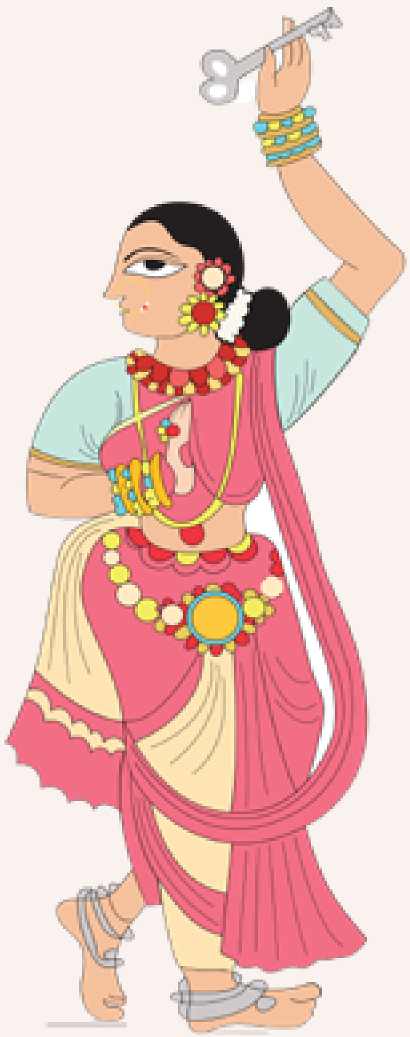
Our Approach to Materiality

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

Management Assurance

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

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



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

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

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

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

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

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

Content

Corporate Overview

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Financial Statements

Standalone

Consolidated

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

or Scan the QR code

Disclaimer

IIFL HOME LOAN

मेरा घर, मेरी चौखट।

This beautiful mural, displayed at the IIFL Home Finance Ltd. head office in Gurgaon, depicts an Indian home with each room representing spaces relevant to women in the household. At IIFL HFL, we firmly believe that women, as the pillars of any and every Indian household, hold a significant position in the home buying process. Women are not only breaking barriers but also are redefining how they use the spaces in the house with each room symbolizing different activities asserting their independence.

From the Chaukhat (main door) to the Chhat (terrace), every room in the mural is a symbol of independence and freedom. This artwork celebrates the financial inclusion of women and their journey toward homeownership. It illustrates how women are breaking free from traditional norms and creating spaces where they can live, grow, and thrive. We reckon, women are no longer confined by traditional roles and expectations, while claiming their own homes, redefining spaces, and crafting their own stories!

Who We Are

IIFL Home Finance Ltd. is dedicated to providing affordable home loans, empowering the EWS/LIG segments to achieve homeownership. The company champions eco-friendly building practices, promoting sustainable development. With a state-of-the-art IT infrastructure offers a seamless loan experience, streamlining the process from application to closure. The company's asset-light model, enabled by co-lending arrangements, allows expansion of their reach into deeper markets across India. IIFL Home Finance Ltd. goes beyond financing homes. They contribute to building a sustainable and inclusive future, one affordable home at a time.

IIFL Home Finance Ltd., India's leading affordable housing finance company is a subsidiary of IIFL Finance Ltd., with 79.59% shareholding, while Abu Dhabi Investment Authority acquired 20.41% stake in the company in 2022.

Who We Serve

Our primary focus lies in empowering the first-time home buyers, particularly from the Economically Weaker Sections (EWS) and Lower Income Groups (LIG), across 17 states across the country.

Through our co-lending initiatives, we support the government's objective of enhancing credit availability for marginalised communities at accessible interest rates. Our extensive pan-India distribution network, spanning Tier 1, 2, 3 and 4 cities and towns, ensures that our home loan solutions are easily accessible across the length and breadth of the country.

Mission

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

Vision

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

Core Values Guiding Our Path

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

Fairness in our transactions with all stakeholders including employees, customers, communities, regulators, government, investors, and vendors, bereft of fear or favour.

Integrity and honesty of the utmost nature, in letter, in spirit, and in all our dealings with people – internal or external.

Transparency in all our dealings with stakeholders, media, investors, and the public at large.

Key Highlights (As on March 31st, 2024)

₹ 35,498.55 Cr ($ 4.33 Bn)
Assets Under Management (AUM)

2,59,520+*
First Time Home Buyers

2,15,690+*
Women Borrowers/ Co-Borrowers

₹ 14.26 Lakh ($ 0.017 Mn)
Average Ticket Size

1,38,120+*
Loans to Informal Segment

5,250+**
Permanent Employees

₹ 12,861 Cr ($ 1.57 Bn)
Value Disbursed

*Data as on March 31st, 2024, since inception
**Inclusive of IIHFL Sales

Looking Back At A Momentous Journey

2006

Incorporated

2009

Received Registration Certificate from National Housing Bank

2014

Focused on Affordable Home Loans

4,700+ Customers Served

12 Branches

2015

Aligned with 'Housing For All' & Credit Linked Subsidy Scheme (PMAY)

Conceived Digital Journey

Introduced SWARAJ Home Loans

14,000+ Customers Served | ₹ 1.30 Cr+ ($ 0.16 Mn) CLSS Subsidy Facilitated

58 Branches | 60+ CLSS Beneficiaries

2016

Jhatpat App Launched for Salaried Customers

Received ₹ 160 Cr ($ 19.2 Mn) Refinance from NHB

27,000+ Customers Served | ₹ 45 Cr+ ($ 5.49 Mn) CLSS Subsidy Facilitated

59 Branches | 2,100+ CLSS Beneficiaries

2017

Launched Kutumb - Green Affordable Housing

Identified Among Top 3 PLIs by NHB for Facilitating Subsidy Under PMAY(U)

Received ₹ 8 Bn Cumulative Finances with Second Refinance from NHB

50,000+ Customers Served | ₹ 260 Cr+ ($ 31.22 Mn) CLSS Subsidy Facilitated

79 Branches | 11,000+ CLSS Beneficiaries

2018

Awarded 2nd Best Performing PLI under CLSS for EWS/LIG, by MoHUA

Received ₹ 10 Bn Refinance from NHB, Cumulative Refinance of ₹ 18 Bn

1,00,000+ Customers Served | ₹ 386 Cr+ ($ 44.19Mn) CLSS Subsidy Facilitated

127 Branches | 16,500+ CLSS Beneficiaries

2019

Expansion into Tier 2 & 3 Geographies

Received ₹ 7 Bn Refinance from NHB Leading to Cumulative Refinance Of ₹ 25 Bn

124,000+ Customers Served | ₹ 1,000 Cr+($ 121.95 Mn) CLSS Subsidy Facilitated

>127 Branches | 42,500+ CLSS Beneficiaries

2020

Survived Industry Headwinds (Covid-19 and Liquidity Crisis)

94,400+ Customers Served

127 Branches

2021

Collaborated with Asian Development Bank (ADB)

Launched 1st Green Construction Handbook

Enabled Green Pre-Certified Homes to 15,107 Families

Achieved 100% Customer Digital Onboarding

1,25,000+ Customers Served | ₹ 260 Cr+ ($ 31.22 Mn) CLSS Subsidy Facilitated

125 Branches | 11,000+ CLSS Beneficiaries

2022

Certified 'Great Place To Work' 4th Year in a Row

Rapid Expansion of Footprints in Tier III & IV Cities

1,62,000+ Customers Served | ₹ 1,300 Cr+ ($ 156.11 Mn) CLSS Subsidy Facilitated

225 Branches | 55,000+ CLSS Beneficiaries

2023

Leed Gold Certification of Head Office

Certified 'Great Place to Work' 5th Year in a Row

2,25,000+ Customers Served | ₹ 1,750 Cr+ ($ 210.15 Mn) CLSS Subsidy Facilitated

386 Branches | 73,000+ CLSS Beneficiaries

2024

Launched 'One Home' and 'Humara Kutumb'

Certified 'Great Place to Work' 6th Year in a Row

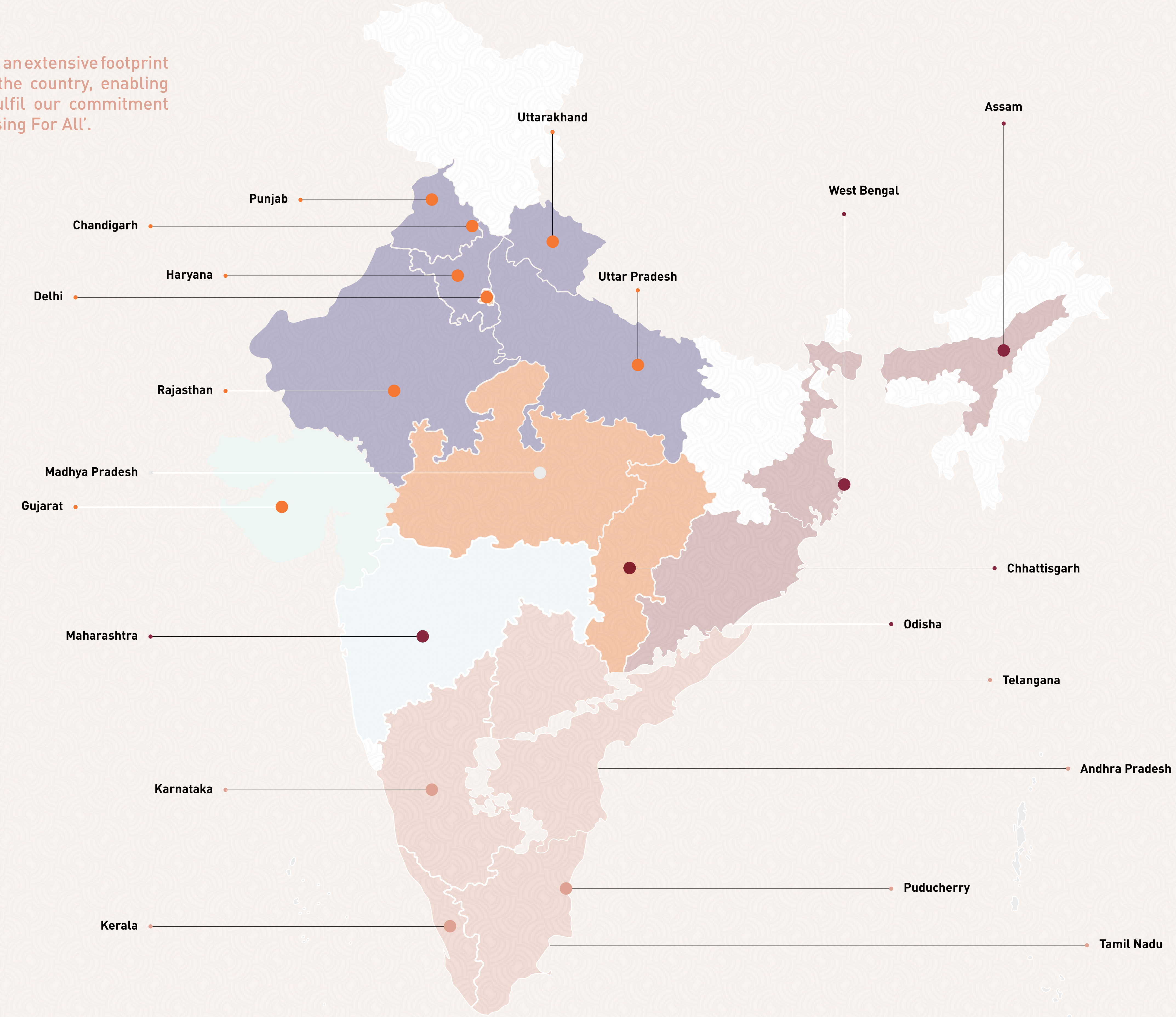
2,98,160+ Customers Served | 2,15,690+ Women Owners since Inception

396 Branches | 60,760+ Shakthi (small ticket size loan against property) Customers since Inception

26,690+ Loans Disbursed to BLC Households

Where We Are

We have an extensive footprint across the country, enabling us to fulfil our commitment of 'Housing For All'.



As on March 31st, 2024

State	AUM in ₹ Cr.
South Zone	
AP-Andhra Pradesh	2,515.75
TG-Telangana	3,264.28
TN-Tamil Nadu	1,020.62
KA-Karnataka	2,342.58
KL-Kerala	7.18
PY-Puducherry	14.87
East Zone	
AS-Assam	13.74
OR-Odisha	4.73
WB-West Bengal	766.31
North Zone	
CH-Chandigarh	605.22
DL-Delhi	4,401.55
HR-Haryana	1,851.61
PB-Punjab	942.57
RJ-Rajasthan	1,957.61
UP-Uttar Pradesh	3,087.59
UT-Uttarakhand	224.44
Central Zone	
CT-Chhattisgarh	348.26
MP-Madhya Pradesh	2,367.69
West Zone	
MH-Maharashtra	6,584.23
GJ-Gujarat	3,177.73
Grand Total	**35,498.55**

18
States

2
Union Territories

396
Branches

What We Do For You

#Sapnonkosachkarnekaseedharaasta

Home Loan

We not only offer home loan solutions for the purchase, construction and renovation of homes, we believe in creating spaces for the masses of the country. To enhance affordability and accessibility of home loans, we have implemented a streamlined process with minimal documentation and facilitate quick approvals within 30 minutes, our 'Jhatpat' solution. We recognise the importance of supporting first-time home buyers, particularly those from the Economically Weaker Section (EWS) and Lower Income Groups (LIG). Therefore, we offer competitive interest rates and flexible repayment terms. By focusing on the needs of the underserved, we are also contributing to the nation's vision of financial inclusion and broader economic development.

2,98,160+*

Overall Customers

2,59,520+*

First Time Home Buyers

2,09,650

Active Customers

₹ 15.28 Lakh ($ 0.018 Mn)

Average Ticket Size

73,000+

Loans to CLSS Beneficiaries

₹ 1,753 Cr ($ 218.75 Mn)

Credit Linked Subsidy (Under PMAY) Facilitated

1,38,120+*

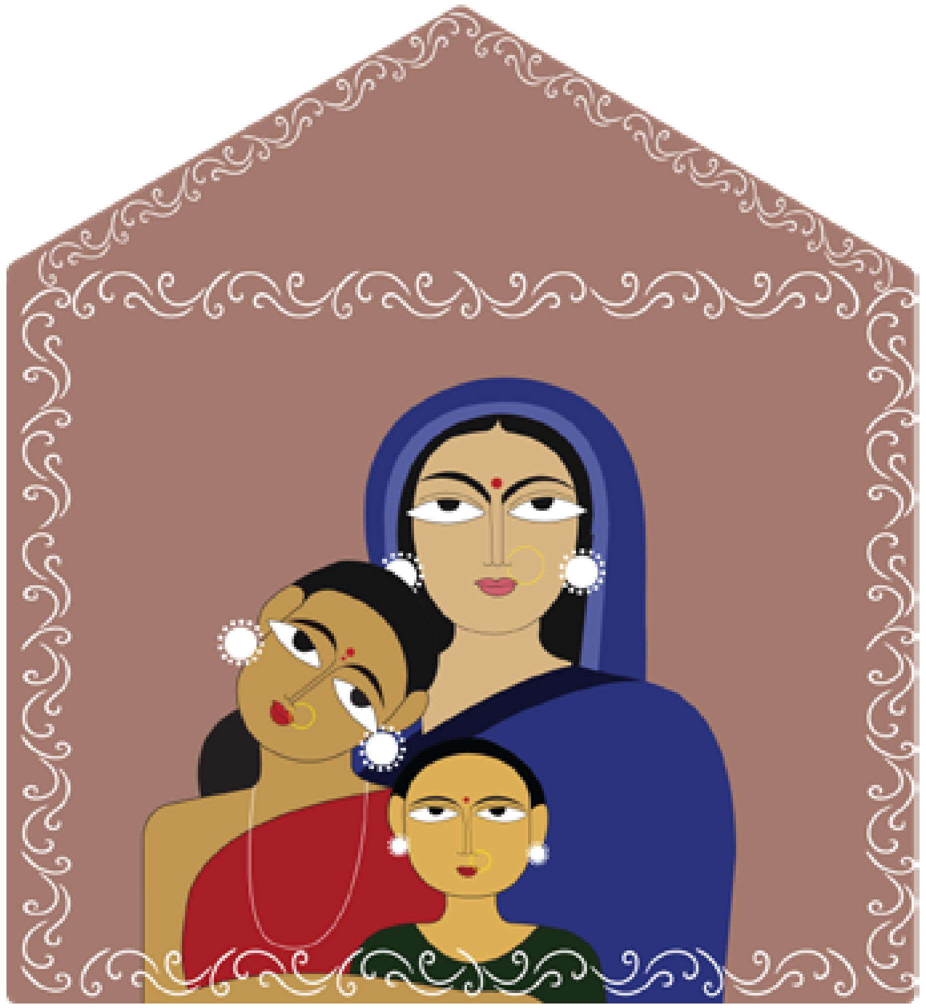
Loans to People From Informal Sector

26,690+

Loans Disbursed to BLC Households

₹ 694.05 Cr ($ 0.84 Mn)

Disbursed to Beneficiary Led Construction (BLC) and Affordable Housing in Partnership (AHP) in FY 2023-24



*Data as on March 31st, 2024, since inception

Secured Business Loan

Our Secured Business Loan offers financial support for small businesses against property collateral. It helps to meet working capital requirements and provides immediate financial assistance for funding business expansion, launching new products and augmenting existing infrastructure. It provides access to larger loan amounts, competitive interest rates and flexible repayment schedules.

₹ 25.54 Lakh ($ 0.03 Mn)

Average Ticket Size

57,490+*

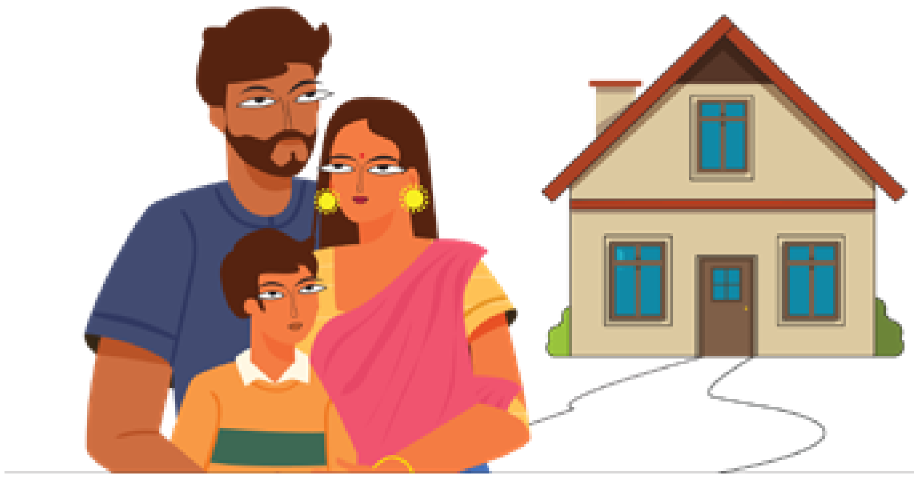
MSMEs Empowered

₹ 1,421.57* Cr ($ 173.36 Mn)

Value Disbursed

Shakthi Loan

Shakthi Loan is a specialised Loan Against Property tailored for small businesses and unorganised sectors in India, such as shopkeepers, grocers, etc. providing them with quick and easy access to funds for scaling up day-to-day operations. The loans are swiftly approved within 30-minutes and enables people from underserved and informal sections of society to conveniently avail credit. It aims to provide credit solutions to last-mile micro businesses such as grocery stores, vegetable vendors, small traders, salons and other businesses engaged in the unorganised sector. With lower interest rates, flexible loan repayment tenures, top-up facility and simple documentation processes, Shakthi Loans are designed to offer the power of financial inclusion to economically weaker sections of society.



₹ 4.93 Lakh ($ 0.006 Mn)

Average Ticket Size

₹ 1,587.56* Cr ($ 193.60 Mn)

Value Disbursed

60,760+*

Customers Served

*Data as on March 31st, 2024, since inception

Expanded Lending Services

Efficient Co-Lending Model

Our co-lending model aims to enhance access to affordable housing finance in Partnership with major banks. This initiative aligns with the government's efforts to provide credit to marginalised segments, ensuring availability of home loans at competitive rates.

Home Loan for Uniformed Services

Dedicated to India's defence and paramilitary forces, this loan offers exclusive benefits such as reduced interest rates, minimal processing fees and complimentary health insurance up to ₹ 3 Lakh.

ONE HOME

Launched in August 2023, One Home was conceptualized looking at the urgent need of a platform that caters to e-auctions, buy and sell properties at one place. It is an end-to-end digitized e-auction process making participating, bidding and finally buying in e-auctions easy.

For several market players in the real estate sector transaction management is still happening offline, here, One home is a platform that is completely digital and new age. Also, it is a place which allows its partners to sell of their NPA properties easily.

1,800+

E-Auctions Held on the Platform

Green Value Partner

The construction industry is one of the biggest consumers of non-renewable resources. Even after completion, most buildings continue to be responsible for huge CO2 emissions. Buildings in India already accounts for more than 30% of India's electricity use, and two-thirds of the buildings that will exist in India by 2030 are yet to be built.

To address such issues, IIFL Home Loans has introduced Green Value Partner (GVP) that aims at reducing the negative impact on the environment by supporting the development of green affordable housing in India. The centre-piece of IIFL Home Loan's strategy is scaling affordable and sustainable development for maximum impact.

Through GVP, we empower our community to innovate on the local level and then identify those solutions that can be replicated and scaled up across the country.

23,620+*

Green Housing Units Funded

37

Pre-certified Green Projects under GVP

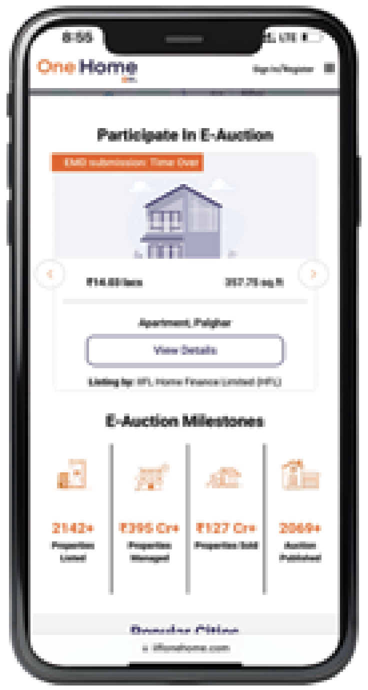
2

Certified Green Projects under GVP

*Data as on March 31st, 2024, since inception

IIFL One Home

In August 2023, we introduced 'One Home,' an innovative and pioneering B2C and B2B real estate platform designed to facilitate the property journey for individuals and partners alike. This fully digitised platform enables potential buyers to list properties and participate in e-auctions efficiently and effectively. One Home empowers property seekers through its website, while also simplifying auction processes for banks and non-banking financial companies (NBFCs), facilitating the sale of their non-performing assets (NPAs).



Platform Features

One Home offers a comprehensive suite of features for both partners and customers. Key functionalities for partners include Property Management, Auction Management, Payment Management, User Access Management, and Lead Management. For customers, the platform provides:

- Auto KYC
- Online Payment Options
- Personalised Search Experience
- Immersive Photos And Virtual Tours (Partially Completed)
- Exclusive Property Recommendations
- Saved Properties and Research Features
- Customer Support
- Optical Character Recognition (OCR)

Key Milestones

Recognising the need for a unified platform for e-auctions and property transactions, One Home was launched on August 16, 2023. The platform offers a seamless, end-to-end digital e-auction process, making participation, bidding, and purchasing straightforward. One Home stands out in the real estate sector by providing a fully digital solution, enabling partners to sell NPA properties efficiently.

Since its launch, One Home has achieved significant milestones

2,000+
Properties Listed

₹ 100 Cr+ ($ 12.20 Mn)
Properties Sold

2,000+
Bidders

~ ₹ 1.25 Cr ($ 0.15 Mn)
Annual Cost Savings for IIFL HFL

1,800+
Auctions Published

8,000+
Platform Visits

₹ 400+ Cr ($ 48.78 Mn)
Properties Managed

E-Auction Advantage

One Home's e-auction platform provides a unique advantage by allowing users to purchase properties compliant with the SARFAESI Act at competitive prices. Benefits of the e-auction feature include:

- Free of Cost Services
- No Additional Transaction Costs
- Multiple E-auction Property Options
- Complete Paperless Process
- Efficient Customer Service
- Grievance Redressal
- Simple and Convenient Transactions

The One Home App enhances user experience by enabling property transactions through a mobile interface.

Industry Position

One Home distinguishes itself as the only end-to-end digitised e-auction platform, offering a new-age real estate experience that allows users to select and purchase properties from any location. Unique features include:

- Paperless Auto KYC
- Online Payment Integration
- Personalised Search Experience
- Immersive Photos and Virtual Tours
- Exclusive Property Recommendations
- Saved Properties and Research Features
- Customer Support
- OCR

Future Vision

One Home is `will continue to create a transparent and digitised system that allows customers to select properties with comprehensive awareness of legal titles, encumbrances, values, pending dues, surrounding developments, and infrastructure facilities. We will also assist partners in efficiently publishing, managing, and reaching a wider network with digital transparency in regulatory compliance.

Chairman's Message

At IIFL Home Loans, we believe in empowering people with financial solutions that enrich their homeownership journeys. For us, making affordable housing easily accessible to the middle and lower-income population is a priority.

Dear Stakeholders,

In a country as vast as India, home-ownership still remains an elusive prospect for many. At IIFL Home Loans, we believe in empowering people with financial solutions that enrich their home-ownership journeys. For us, making affordable housing easily accessible to the middle and lower-income population is a priority. It drives us to contribute towards the nation's growth story, aligning our initiatives with the government's vision of 'Housing for All'. It also enables us to ensure financial inclusion, thereby making home loans easily accessible for people living in Tier 3 and 4 cities.

With the Indian economy demonstrating remarkable resilience amidst global headwinds, the nation as a whole is poised for remarkable progress. Along with retaining its position as the fifth-largest economy in the world, India's influence in the global arena continues to improve. Concluding the year with a robust GDP growth of 8.2% the Indian economy has showcased great strength and has also created a favourable environment for businesses and investments to prosper. It has also added impetus to a thriving housing finance sector, benefitted from rising demand for quality homes at affordable rates.

Increasing Housing Demand

Driven by rising income levels, enhanced affordability and substantial government support, the Indian housing finance industry is on track to report a 13% Compound Annual Growth Rate (CAGR) between FY 23-26. In the past few years, specifically in the post-Covid period, the industry has seen consistent performance, punctuated by occasional seasonal dips. The credit outstanding for the housing sector rose by nearly ₹ 10 Lakh Crore in the last two fiscal years, to reach a record ₹ 27.23 Lakh Crore in March this year. This growth is mostly attributed to the demand revival in the residential property market due to pent-up demand. These developments have positive implications for both the Housing Finance Companies (HFCs) and Non-Banking Financial Companies (NBFCs).

Fulfilling Home Ownership Aspirations

A surge in housing demand continues to be noticed in India, with a growing preference for mid-to-premium and luxury segments. At the same time, government initiatives like 'Housing for All' have created immense opportunities for home-ownership among the middle and lower-income population. At IIFL, we strive to make home-ownership journeys fulfilling and a reality for a large section of India's aspirational population.

With an emphasis on affordability and accessibility, we are primarily focusing on empowering people from Economically Weaker Sections (EWS) and Lower Income Groups (LIG). Besides, our co-lending capabilities have enabled us to enhance credit availability for marginalised communities at competitive interest rates. Realising the diverse demands of our customers, we have tailored financial solutions for purchasing new properties, construction of homes and renovation of existing homes. Our broad-based financial solutions also cover the needs of businesses, especially small and medium enterprises. It also aims to support developers committed to building affordable housing projects.

Our customer-centric approach drives us to improve our offerings and continuously enhance internal processes to facilitate seamless customer journeys. With a focus on adopting advanced technology, we have digitalised the loan application and customer onboarding process. Technology integration has also enabled us to enhance service delivery, operational efficiency and the security of our digital processes. Moreover, our multilingual customer support enables us to cater to a wider customer base from Tier 3 and 4 cities. Prioritising customer satisfaction, we have developed a survey that allows us to gather feedback and improve services. We have also introduced WhatsApp chatbots, email support and a DIY portal that allows customers to easily access information and avail self-service options.

Growing A Healthy Company

Our numbers have been good this year. The spread between our borrowing and lending has been stellar which is a testament to our strategic approach to funding. We have developed a strong partnership with NHB in accessing refinance and deploying it in line with the common strategic priorities.

NHB's commitment to social responsibility mirrors our own focus on affordable housing initiatives. This shared vision, combined with the quality of our loan portfolio, made us a prime candidate for their support. The benefits extend far beyond cost-effective financing. NHB's guidance has strengthened the culture of responsible lending within our company and by leveraging NHB's programs strategically, we achieved a more efficient liability structure.

I am happy to share that CRISIL Ratings has reaffirmed our strong financial standing. They have maintained our credit ratings at 'CRISIL AA/CRISIL PPMLD AA' and assigned a Positive Outlook, reflecting their confidence in our continued growth. This achievement was possible backed by a healthy capital base with improved leverage, and a well-diversified portfolio focused on inherently lower-risk assets. Keeping in mind our standing in the sector, we are constantly expanding our branch network and moving into more tier 3 and tier 4 cities. Our branch count stands at 396, present over all of India.

Towards A Sustainable Future

We have secured over $ 450 Million in funding from leading Development Finance Institutions (DFIs) such as the U.S. International Development Finance Corporation (DFC) and the International Finance Corporation (IFC) in FY 2023-24. It not only reinforces our position as a leader in the affordable housing segment but also aligns perfectly with the government's vision of 'Housing for All'. It has played a crucial role in promoting financial inclusion and improving access to affordable housing across India, especially to the economically weaker sections of society.

Sustainability is a core value at IIFL Home Loans. We recognise that the future of housing is inextricably linked to environmental responsibility. Building energy-efficient residences will not only prepare us for a greener tomorrow, it is also anticipated to add impetus to our sustainability efforts. We recognise the environmental impact of traditional construction practices. While the industry is extremely resource-intensive, it also generates a significant amount of waste. We remain committed to changing this narrative.

We are reimagining our proposition towards sustainable living through initiatives like Kutumb. It unites industry experts to address the entire building construction lifecycle, from planning and construction to operation, with a focus on environmental responsibility. With the invaluable guidance of eminent sustainability experts Kutumb equips developers with the knowledge and tools needed to embrace green technologies. Kutumb is a stepping stone for developers to integrate sustainable practices across their operations. In partnership with developers, we are therefore, paving the path for a greener future.

Moving Forward

Housing demand in India continues to increase on the back of growing urbanisation and rising household income. This creates an opportune moment for us to capitalise on our core strengths to seize emerging opportunities. From offering tailored financial solutions to turning numerous home-ownership dreams into reality, we are committed to travel the extra mile to design seamless customer journeys.

As we navigate an evolving regulatory landscape, we have taken active steps to ensure our governance remains strong and independent. Our recently reconstituted Board reflects this commitment, bringing together a diverse range of expertise to guide the company's direction. These measures ultimately serve to strengthen the industry and enhance the quality of service delivered to customers.

Looking ahead, we are confident of exploring new avenues of growth in the housing finance sector and fortify the foundation of a future-focused organisation. The support of our people, shareholders and our customers have been integral in our path to progress. We remain extremely optimistic about broadening our horizon and improving our reach further – to every corner of this nation.

To sum up, our way forward would be characterised by Caring - for customers, employees, shareholders , society ; complete Alignment with regulators and supervisors ; Digitalisation of process, delivery , efficiency , outreach ; and continued Focus on enabling sustainable, affordable home-ownership , in particular for the underserved sections of society

Thank you for your continued trust and support.

Sincerely,

S. Sridhar
Chairman

CEO's Message

India is poised for exponential growth with the announcement of three Crore houses under the Pradhan Mantri Awas Yojana (PMAY). This initiative is expected to drive substantial demand in the housing sector, presenting numerous opportunities for growth and development. As we align our strategies with these national objectives, we are uniquely positioned to contribute to and benefit from this transformative journey.

Dear Stakeholders,

It makes me immensely happy to state that during FY24, we witnessed steady growth across our product portfolio. However, before I delve deeper into the details of our performance, I must mention that the trust and confidence of all our stakeholders in our vision and capabilities have helped us empower individuals and families across India to achieve their dream of home-ownership.

This past year, the Indian economy continued to demonstrate remarkable resilience, registering a growth of over 7.6% in FY24—uplifting Millions of people from poverty, sheltering their lives and bringing them back to the economic mainstream. Rapid urbanisation, massive infrastructural development, a consistent focus on sustainability and an aspirational young population with rising income levels, are acting as tailwinds for the housing finance sector.

Stabilising interest rates and the government's commitment to 'Housing for All' also augur well for the sector as a whole. Housing finance companies are capitalising on this opportunity by offering innovative products and services, user-friendly digital solutions and undertaking targeted marketing campaigns designed to resonate with the young demographic, potential first-time home buyers across major states in India.

IIFL Home Finance Ltd. has established a proven track record of empowering first-time home buyers while emphasising affordable housing for the economically weaker sections (EWS) and lower income groups (LIGs). Over the past five years, the Company's Assets Under Management (AUM) have grown at a 14% CAGR, reaching ₹ 35,499 Crore in FY24. Most of our borrowers are women, reflecting our commitment to women's empowerment, financial inclusion and social responsibility. At present, we are the leading affordable housing finance company in the sub ₹ 25 Lakh loan segment, with an average ticket size of ₹ 14.26 Lakh, among the housing finance companies in India.

We continue to expand our presence in the category of affordable home loans, particularly in sustainable and green housing solutions. As an inclusive financial institution, we strive to cater to a diverse range of customers with an extensive reach and an effective post-disbursal loan journey.

In addition to our continuous efforts towards ensuring 'Housing For All', as a responsible corporate entity, our commitment to societal impact extends beyond sustainable housing initiatives. We are one of the leading contributors to the Credit Linked Subsidy Scheme (CLSS) and have facilitated a subsidy of over ₹ 1,750 Crore to over 73,000 households. This demonstrates our dedication to making home-ownership a reality for low- and middle-income families. We have also successfully catered to over 26,500 Beneficiary-led Construction (BLC) with the disbursement of close to ₹ 700 Crores and Affordable Housing households under Pradhan Mantri Awas Yojana (PMAY).

Powering The Home Finance Ecosystem

A significant milestone for IIFL Home Finance in FY24 was the crucial role we played in establishing the Residential Mortgage-Backed Securities (RMBS) Development Company Limited (RDCL) consortium with a 5% shareholding. This collaborative effort, which includes leading financial institutions, represents a paradigm shift towards a bond market-driven approach to housing finance, mirroring successful models in developed economies.

The consortium's collective investment of ₹ 500 Crore also reflects a shared commitment to revitalising the Residential Mortgage-Backed Securities market (RMBS) and unlocking its potential for financing affordable housing. The RMBS Development Company Limited (RDCL) platform, established under the aegis of the National Housing Bank (NHB), promises to provide the much-needed diversification of liabilities and improved cost of funds for all mortgage players, ultimately benefiting homebuyers.

Staying Ahead In The Technology Curve

The Indian stack of digital public infrastructure, which comprises digital identification, payments and data management, is the most impactful resolution to have happened in India post-independence.

Now the onus is on us as an organisation to seize this opportunity to enable financial inclusion, better risk management and efficient operations to deliver on stakeholder expectations.

With our customer onboarding app 'Jhatpat', our collection App, 'm-Collect,' and our customer 'Loans App', we continuously aim to evolve our platforms and offerings to offer our clients best-in-class solutions. These offerings, along with our robust financial performance, have made us the largest affordable housing finance company in India today. For the years ahead, we are evaluating emerging technologies for potential applications in the home loan sector, ensuring that we remain at the forefront of digital transformation in the housing finance industry.

Our state-of-the-art IT infrastructure streamlines the loan application process, resulting in a faster turnaround time from application to loan closure. Additionally, our asset-light model, enabled by co-lending arrangements, helps us drive deeper market penetration into remote markets across India.

Additionally, we have achieved validation of our business and social model from DFIs such us the International Finance Corporation (IFC) and the US International Development Finance Corporation (DFC), who have lent us $100 Million and $50 Million, respectively, along with continued support from our regulator, the National Housing Bank (NHB). With continuous support from our new shareholder, Abu Dhabi Investment Authority (ADIA), we feel more confident about reaching our objective of a Million homes much earlier than expected.

Empowering Every Citizen

Our dedication to social impact extends far beyond sustainable housing initiatives. As of now, we at IIFL HFL have established an impressive customer base, with an active customer base of 2,80,000 and over 4,17,000 customers whom we have served across the country. We are especially proud of the high number of women borrowers and co-borrowers (over 2,15,000) and first-time homebuyers (2,59,000) who have entrusted us with their dreams.

Additionally, our asset-light model, enabled by co-lending arrangements, enables us to extend our reach to remote markets across India, ensuring we serve a wider section of the population.

We are happy to report that we have achieved encouraging growth in revenue and net interest income (NII), which stood at ₹ 3,317 Crore and (₹ 1592 Crore), respectively. Our profit after tax (PAT) stood at ₹ 1,017 Crore, recording a growth of 32% YoY. Our return on equity (ROE) was 16.9% and our return on assets (ROA) was 4.4%. This strong performance emphasises the effectiveness of our management and our operations.

India is poised for exponential growth with the announcement of three Crore houses under the Pradhan Mantri Awas Yojana (PMAY). This initiative is expected to drive substantial demand in the housing sector, presenting numerous opportunities for growth and development. As we align our strategies with these national objectives, we are uniquely positioned to contribute to and benefit from this transformative journey.

Supporting Aspirations, Growing Sustainably

We are a purpose-driven organisation deeply committed to shaping a sustainable and inclusive future for affordable housing in India. Our dedication to financial inclusion, technological innovation and environmental responsibility positions us as a key player in the housing sector.

We are grateful to our esteemed customers, committed employees, partners, the Board of Directors and stakeholders for their continued trust and support. Together, we are supporting aspirations and growing sustainably. As the Indian economy continues on its remarkable growth trajectory, we are poised to play a pivotal role in this exciting journey. We look forward to the opportunities and challenges that lie ahead, and we remain confident in our ability to deliver exceptional value to all stakeholders.

Best,

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

Financial Highlights

Assets Under Management

(AUM) (₹ Cr)

FY20	18,495
FY21	20,694
FY22	23,617
FY23	28,512
FY24	35,499

25% YoY Growth

20% 3 Year CAGR

AUM grew by 25% year-over-year, reaching ₹ 35,499 Crore (approx. $ 4.8 billion) as of 31st March 2024.

Drivers: The robust growth in AUM was propelled by strategic partnerships and co-lending arrangements with banks. Furthermore, aggressive marketing campaigns and customer acquisition strategies in untapped markets played a vital role.

Disbursal

(₹ Cr)

FY20	3,255
FY21	5,436
FY22	7,684
FY23	10,061
FY24	12,861

28% YoY Growth

33% 3 Year CAGR

Net disbursals grew by 28% year-over-year for the fiscal year ending 31st March 2024

Drivers: The increase in loan disbursals was primarily due to streamlined approval processes, expansion into underserved markets, and increased digital adoption. The 'Jhatpat' loan approval process, which ensures quick disbursement and minimal paperwork, contributed to the higher disbursal.

Return on Equity

(ROE) (%)

FY20	13.8
FY21	20.3
FY22	24.9
FY23	17.6
FY24	16.9

ROE was 16.9% for the fiscal year ending 31st March 2024.

Drivers: Despite the increase in profits, ROE was moderated due to the dilution effect from a significant capital infusion aimed at strengthening the financial foundation for future growth. This capital was crucial in maintaining high levels of liquidity and funding further expansion.

Return on Assets

(ROA) (%)

FY20	1.8
FY21	2.7
FY22	3.6
FY23	3.9
FY24	4.4

ROA stood at 4.4% for the fiscal year ending 31st March 2024.

Drivers: The improvement in ROA was driven by enhanced operational efficiency and better asset utilisation. The company's strategic shift towards higher-margin products and improved loan recovery rates also contributed to this metric.

Gross Stage 3

(%)

FY20	1.6
FY21	2.0
FY22	3.1
FY23	2.1
FY24	1.5

Gross Stage 3 assets were at their lowest level since FY19, reflecting an improvement of 60 basis points year-over-year.

Drivers: The reduction in Gross Stage 3 assets was achieved through stringent credit underwriting standards and effective loan monitoring processes. The implementation of advanced data analytics for early identification of potential defaulters also played a critical role.

*Change in NPA recognition norms as per RBI Circular

Net Stage 3

(%)

FY20	1.2
FY21	1.2
FY22	2.1
FY23	1.5
FY24	1.0

Net Stage 3 assets were also at their lowest level since FY19.

Drivers: The decline in Net Stage 3 assets can be attributed to our consistent efforts in maintaining a robust provision coverage ratio, which stood at 108% for Gross Stage 3 assets.

Revenue

(₹ Cr)

FY20	1,803
FY21	2,068
FY22	2,225
FY23	2,709
FY24	3,317

22% YoY Growth

17% 3 Year CAGR

Consolidated revenue grew by 22% year-over-year for the fiscal year ending 31st March 2024.

Drivers: The significant rise in revenue can be attributed to the company's enhanced digital platforms, which facilitated quicker and more efficient loan processing. Additionally, the strategic focus on expanding the customer base in tier-II and tier-III cities contributed to higher loan disbursals, thereby boosting revenue.

Profit after Tax

(PAT) (₹ Cr)

FY20	245
FY21	401
FY22	593
FY23	768
FY24	1,017

32% YoY Growth

36% 3 Year CAGR

Consolidated profit after tax (PAT) increased by 32% year-over-year for the fiscal year ending 31st March 2024.

Drivers: The increase in net profit was driven by a combination of factors including higher net interest margins, rigorous cost control measures, and a reduction in credit costs. Moreover, the company's emphasis on higher-value loan products also contributed to the profitability.

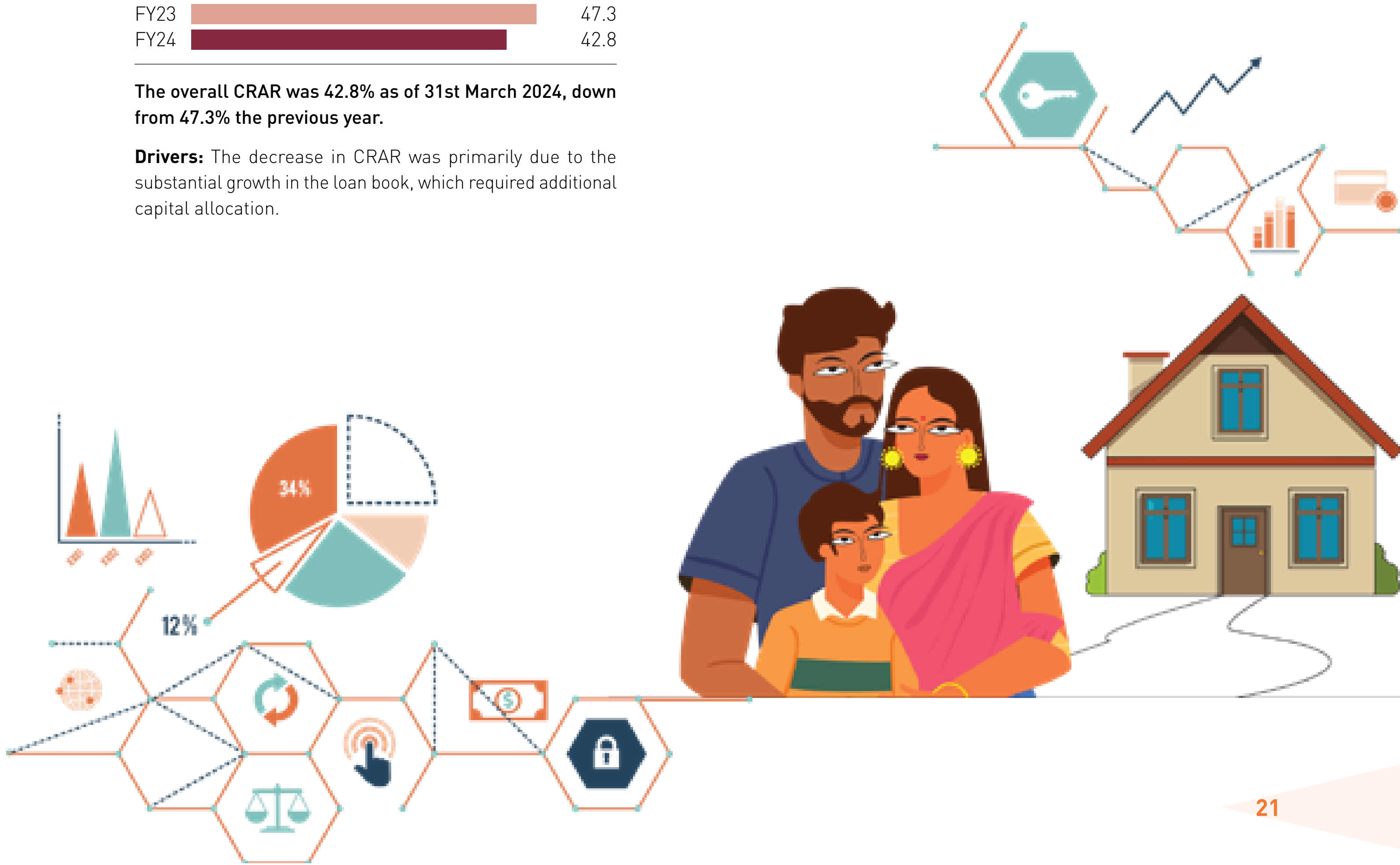
Capital to Risk (Weighted) Assets Ratio

(CRAR) (%)

FY20	23.7
FY21	23.0
FY22	30.5
FY23	47.3
FY24	42.8

The overall CRAR was 42.8% as of 31st March 2024, down from 47.3% the previous year.

Drivers: The decrease in CRAR was primarily due to the substantial growth in the loan book, which required additional capital allocation.



A Favourable Environment for Home-ownership

Rising Urbanisation and Per Capita Income

Rapid urbanisation in India is a significant driver for the affordable housing finance sector. As more people move to cities in search of better job opportunities, the demand for housing in urban and peri-urban areas increases. This trend is particularly evident among a growing middle class, looking for affordable housing.

Rising per capita income enhances the purchasing power of individuals, making it feasible for a larger segment of the population to consider home-ownership. This continues to drive the demand for affordable homes, particularly in suburban areas, where property prices are relatively lower in comparison to residential areas in the heart of the city.

Growing Housing Demand from Small Towns and Cities

The development of affordable housing is gradually shifting from Tier-1 cities to Tier-2 and Tier-3 cities and towns. These regions offer significant untapped potential due to lower penetration of housing finance services and increasing opportunities for income generation. Affordable Housing Finance Companies (AHFCs) are gradually expanding their presence in these areas, recognising the growing demand for housing finance. Additionally, improvement in infrastructure, in the form of better connectivity, roads and utilities, make these emerging markets more attractive for residential projects. Government initiatives to enhance infrastructure in smaller towns also make these locations viable for long-term residential projects.

Availability of Innovative Financial Products and Services

AHFCs are offering innovative financial products tailored to the needs of lower-income and middle-income groups. These include loans with longer tenures, lower interest rates and flexible repayment plans for catering to demographic groups with variable income streams.

Digital Penetration

The use of digital technology for loan processing, from application to disbursement, is transforming the housing finance sector. Digital platforms enable faster processing of loans, ensure better reach and uncover more efficient modes of service delivery, especially in underserved areas. Besides, the use of AI, Machine Learning and advanced technology have helped to assess credit risk more accurately, even for customers with limited credit histories.

Favourable Policies and Regulatory Support for Housing Finance

Supportive policies and regulatory frameworks have significantly contributed to the growth of the housing finance sector, facilitating easier access to finance and simplifying approval processes for developers.

Pradhan Mantri Awas Yojana (PMAY) Credit Linked Subsidy Scheme (CLSS):

- Interest subsidies on home loans for various income categories.
- 3 Crore new homes proposed under PMAY (Gramin) over the next five years.

Tax Holiday for Developers:

- 100% tax exemption on profits from affordable housing projects under Section 80-IBA.

Reduced GST Rates:

- Lower Goods and Services Tax for affordable housing, decreasing costs for buyers.

Flexible Loan Terms:

- Access to cheaper and longer-term loans.

Increased Loan Limits:

- Encourages banks and Housing Finance Companies (HFCs) to sanction larger loans for affordable home buyers.

Building Strength for Tomorrow

Empowering the Everyday Indian with Global Support.

At IIFL Home Loans, we believe everyone deserves the opportunity to build their dream home. We are committed to financial inclusion and expanding access to affordable housing finance, particularly for individuals from economically weaker sections of society.

We have recently secured significant loan from three major Development Finance Institutions (DFIs) to further this mission:

International Finance Corporation (IFC)

Investment

$ 100 Mn (₹ 820 Cr)

Purpose

- Develop and design loan products specifically tailored to meet the needs of EWS and LIG borrowers.
- Offer competitive rates and flexible repayment options to make home-ownership more attainable for low-income families.
- Embrace technology to streamline application processes and enhance affordability.
- Expand our reach to serve underserved markets across India.

U.S. International Development Finance Corporation (DFC)

Investment

$ 50 Mn (₹ 410 Cr)

Purpose

- Enhance financial inclusion by providing affordable housing finance to low-income families.
- Develop loan products and services that cater specifically to the needs of underserved communities.
- Expand our outreach programs to increase the accessibility of housing finance.

Asian Development Bank (ADB)

Investment

$ 68 Mn (₹ 557.60 Cr)

$ 1 Mn Technical Assistance (₹ 8.2 Cr)

Purpose

- Boost women's access to affordable green housing in India.
- Support the development of environmentally sustainable and affordable housing projects.
- Enhance the availability of green housing finance for women borrowers.

Our Approach to Value Creation

Growing A Sustainable And Robust Business

At IIFL Home Loans, we believe everyone deserves the opportunity to build their dream home. We are committed to financial inclusion and expanding access to affordable housing finance, particularly for individuals from economically weaker sections of society.

We have recently secured significant funding from three major Development Finance Institutions (DFIs) to further this mission:

Inputs

Financial Capital

Our financial capital consists of equity and debt, which allow us to provide affordable housing credit to customers and support our growth initiatives

- ₹ **6,447.4 Cr/ $ 779.3 Mn** Equity Capital *
- ₹ **17,683.6 Cr/ $ 2.13 Bn** Debt Capital *

Physical Capital

Our extensive branch network enhances our service delivery and customer reach across various regions

- **396** Branches, present in **18** States and **2** UTs

Intellectual Capital

Investments in automation and digitisation drive our operational efficiency and service delivery

Human Capital

Our workforce, supported by continuous learning and engagement, is crucial to our success

- **5,652** Employees
- **47** Learning Programs

Social and Relationship Capital

We are dedicated to fostering community upliftment and societal progress through

- Supporting women, informal workers, and marginalized groups
- Enhancing Financial and Digital Accessibility
- Aligning with Government Missions such as 'Housing for All'

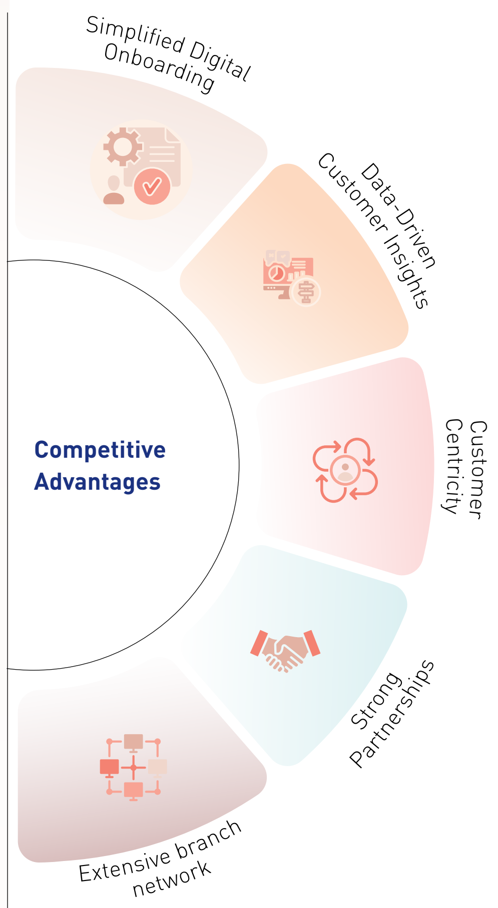
Environmental Capital

Our sustainability initiatives aim to reduce our environmental footprint and promote ecological balance for the wellbeing of our planet

- **50** DISHA workshops
- ESG Progressive Evaluations at **10** sites
- ESG Software Implementation
- Humara Kutumb: Green Housing Ecosystem

*Data is as per standalone financials

Process



Values That Drive Our Operations

Fairness | Integrity | Transparency

Strategies In Action

- Implementing AI And Machine Learning For Better Decision-Making
- Streamlining Loan Applications With Digital Tools
- Enhancing Cybersecurity And Real-Time Risk Monitoring
- Using Data-Driven Insights To Improve Service Quality
- Partnering With Major Banks To Expand Reach
- Promoting Through Initiatives Like Green Value Partner (GVP)

Outputs

Financial Capital

- Revenue: ₹ **3,317 Cr/ $ 401.82 Mn**
- Profit after Tax (PAT): ₹ **1,017 Cr/ $ 123.20 Mn**
- Return on Equity (ROE): **16.9%**
- Return on Assets (ROA): **4.4%**
- Assets Under Management: ₹ **35,498.55 Cr/ $ 4.33 Bn**

Physical Capital

- **2,81,510+** Active Customers
- **10** New Branches Added in FY24

Intellectual Capital

- **100 %** of our Customers are Onboarded through the Jhatpat Loan Process
- **1,86,110+** Customers Registered through IIFL Loans Customer App

Human Capital

- Recognised as GPTW Six Times in a Row
- **100%** Return from Maternity and Paternity leaves
- **16** Average Learning Hours

Social and Relationship Capital

- **3,20,800** Lives Impacted through CSR Initiatives
- **3.17** CSAT Score
- **73,000+** CLSS Under PMAY Facilitated
- **2,15,690+** Women Borrowers
- **26,690+** Loans Disbursed to BLC Households

Natural Capital

- Trained **3,300+** Individuals on Waste Management
- **19,710+** MWh/year Energy Savings through GVP Initiatives
- **1,210+** Kg Garbage Recycled through DISHA Initiative

Outcomes

- Increased Number of Home Loan Approvals,
- Increased Financial Stability,
- Improved Return on Investment

- Expansion into new geographies

- Improved Operational Efficiency
- Improved digital infrastructure

- Improved Customer Service
- Increased Employee Retention

- Enhanced Brand Reputation
- Increased Community Engagement

- Sustainable Business Practices
- Reduced Environmental Impact

For our Investors/ Shareholders

Our robust financial performance demonstrates consistent growth in revenue and profit. We maintain transparency in all financial communications and ensure competitive returns on investments through dividends, focusing on long-term strategic initiatives.

22%

YoY Growth in Revenue

25%

YoY Growth, Assets Under Management (AUM) increased to ₹ 35,498.55 Cr

For the Environment

Our green initiatives focus on implementing eco-friendly building practices and promoting green housing projects. Through efficient resource management, we strive to reduce our environmental impact significantly. By aligning our business practices with the UN Sustainable Development Goals, we contribute to sustainable development. Additionally, we raise awareness about sustainability and environmental conservation among our stakeholders, fostering a collective effort towards a greener future.

23,620+

Green Housing Units Funded

For our Employees

We invest in continuous learning and skill development programs, promoting an inclusive work environment. Our wellness initiatives ensure the physical and mental well-being of our employees, while active engagement enhances workplace satisfaction.

16

Average Learning Hours per Employee

Great Place to Work

Six Years in a Row

For the Government

We support government initiatives like 'Housing for All' by ensuring policy alignment and maintaining high standards of corporate governance. Our contributions to economic development through job creation and financial inclusion are substantial, along with our engagement in CSR activities that align with national priorities.

100%

Adherence to Regulatory Requirements

For our Developers

Our focus is on providing developers with comprehensive financial expertise and expert advice for sustainable project execution. We assist developers in navigating regulatory landscapes and ensuring compliance. By promoting eco-friendly and sustainable construction practices, we contribute to environmentally responsible development. Furthermore, we facilitate the smooth execution of projects through efficient loan disbursement and continuous support.

₹ 1,421.57 Cr
($ 173.36 Mn)

Disbursed for Secured Business Loans

10

Sites Under ESG Progressive Evaluations

For our Customers

We provide a range of customised home loan products to meet diverse customer needs, supported by advanced digital tools for seamless loan application processes. Our commitment to making home-ownership accessible for economically weaker sections is evident.

100%

Customers Onboarded through the Jhatpat Loan Process

2,59,520+

First-Time Home Buyers Served

For our Value Chain Partners

Our strong collaborative partnerships with suppliers and contractors foster sustainable practices within the value chain. We provide financial support and guidance for sustainable project development, encouraging innovation and growth through joint ventures.

Digital Technology and Productivity Enhancement

Digitisation

In these times, the paradigm shift in technological advancements has reshaped the global era of digitization. Almost every industry is trying to drive the change through digitization and IIFL HFL is on the frontline of exploration and innovation within its domain. Over the last years, our focus has been on end-to-end digitisation of our processes while maintaining a symbiotic relationship with aspects that still need some physical intervention – tracked digitally.

100%

Customers Onboarded through Jhatpat Loan Process

99,14,390+

Paper Sheets Saved

99%

Consumer Complaints Resolved

1,86,110+*

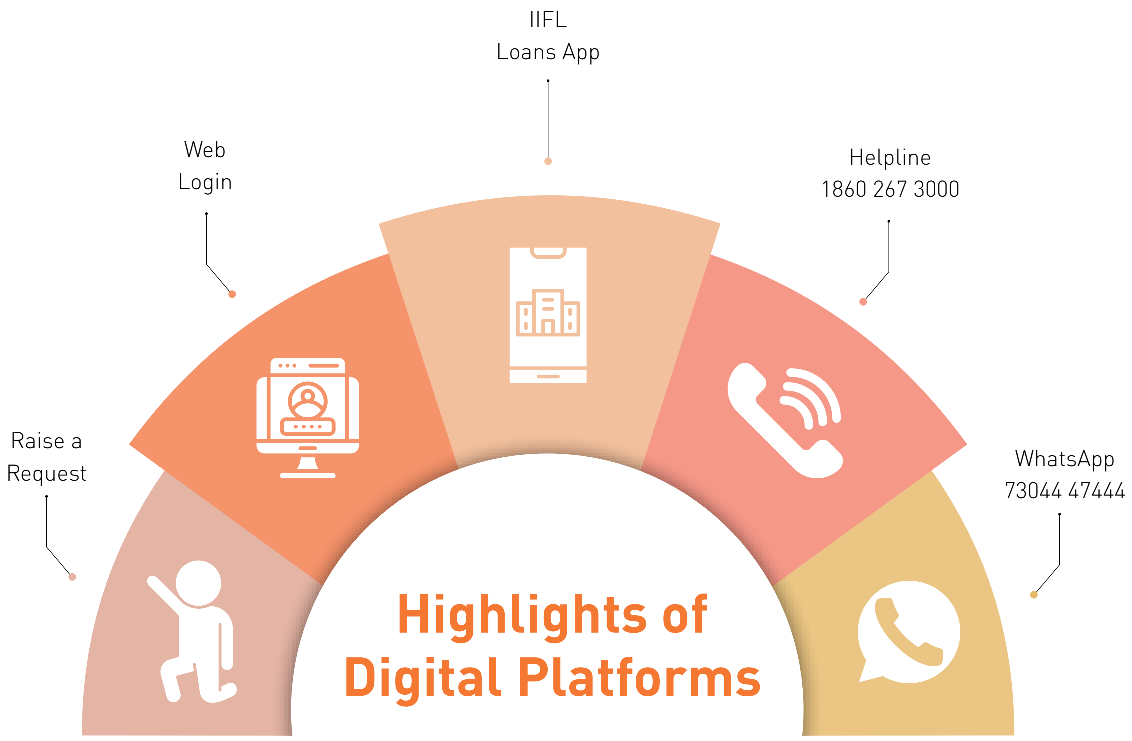
Customers Registered through IIFL Home Loans Customer App

3.17

CSAT Score vs 2.27 Previous Year

Shaping Sustainable Customer Experiences

At IIFL Home Loans, we are committed to provide seamless and exceptional customer experience throughout the home-ownership journey. Over the past year, we have implemented several key operational improvements driven by a focus **on digital transformation, a customer-centric approach and regulatory compliance**



*Data as on 31st March, since inception.

Simplifying Operations with Data Analytics

At IIFL Home Loans, data analytics drives operational efficiency and customer satisfaction. Through advanced ML models, we process a significant volume of loan applications monthly, resulting in timely decisions and improved risk assessment. Additionally, our data science initiatives, including report automation and comprehensive profiling, have substantially optimised resource utilization and expedited analysis timelines, enhancing process efficiency and analytics across the Risk, Collections, Operations and Customer Service departments. As we continue to leverage data analytics to overcome digital challenges and achieve short-term goals for growth, our focus remains on enhancing service delivery, optimizing processes, and leveraging AI-driven tools to drive revenue growth and operational efficiency.

Customer Privacy and Data Security

Our comprehensive IT, information security, and business continuity policies align with NHB and RBI directives, ISO 27001 standards, and industry best practices. Oversight by the Chief Information Security Officer ensures a robust security framework. We prioritize customer consent and employ various measures to safeguard data, including:

In the event of a potential breach, we follow a robust process to ensure an effective response, which includes:

Our incident management plan is well-documented and undergoes regular internal and external audits. It covers customer data breaches, ransomware and hacking incidents, network intrusions, virus attacks, and malware attacks. Our ISO 27001:2013 certification attests to the good practices we employ in managing information security.

We have so far not received any complaints concerning breaches of customer privacy from outside parties and regulatory bodies.

Zero

Count of Data Breaches

Zero

Count of Account Holders Affected

ESG Commitments

IIFL HFL is committed to reducing environmental impact while enhancing societal benefits. We employ energy management systems, green lending programs, and effective waste management practices to optimise our operations. Our initiatives promote green and affordable housing, contributing to the development of sustainable communities

Our Approach to ESG

IIFL Home Finance Limited (IIFL HFL) has developed a structured approach to Environmental, Social, and Governance (ESG) through its comprehensive policy and frameworks. The company's ESG policy aims to ensure responsible business practices and long-term sustainability.

Environmental Initiatives

- Implementing energy-saving measures and encouraging renewable energy use.
- Minimizing waste generation and promoting recycling.
- Offering financial products for green projects, including green buildings and renewable energy.

Social Responsibility

- Providing affordable home loans to underserved segments, promoting housing for all.
- Fostering a supportive work environment with a focus on diversity, equity, and inclusion.
- Participating in education, healthcare, and livelihood projects to uplift local communities.

Governance Framework

- A structured board ensuring ESG strategies align with company objectives and stakeholder expectations.
- Identifying and mitigating potential ESG-related risks.
- Adhering to relevant regulations and maintaining ethical business conduct.

Implementation and Monitoring

- Defining measurable ESG goals aligned with global standards.
- Regularly monitoring ESG performance with key indicators.
- Incorporating stakeholder feedback into ESG initiatives.

Reporting and Transparency

- Publishing detailed annual reports on ESG performance and future plans.
- Meeting regulatory and voluntary disclosure requirements to keep stakeholders informed.

Humara Kutumb

Building on the Kutumb initiative, Humara Kutumb marks our transition to grassroots community engagement. The focus is on creating affordable and sustainable houses, moving from discussions to direct action.

Key Components:

- Empowering homeowners and the green building ecosystem
- Comprehensive training and capacity building
- Demo house

ESG Software Implementation

We have implemented Updapt ESG, a comprehensive third-party ESG software, to enhance our sustainability efforts. This multi-user, multi-role, and multi-geo application encompasses several key modules

Self-Assessment
A tool for evaluating our current ESG status and identifying improvements.

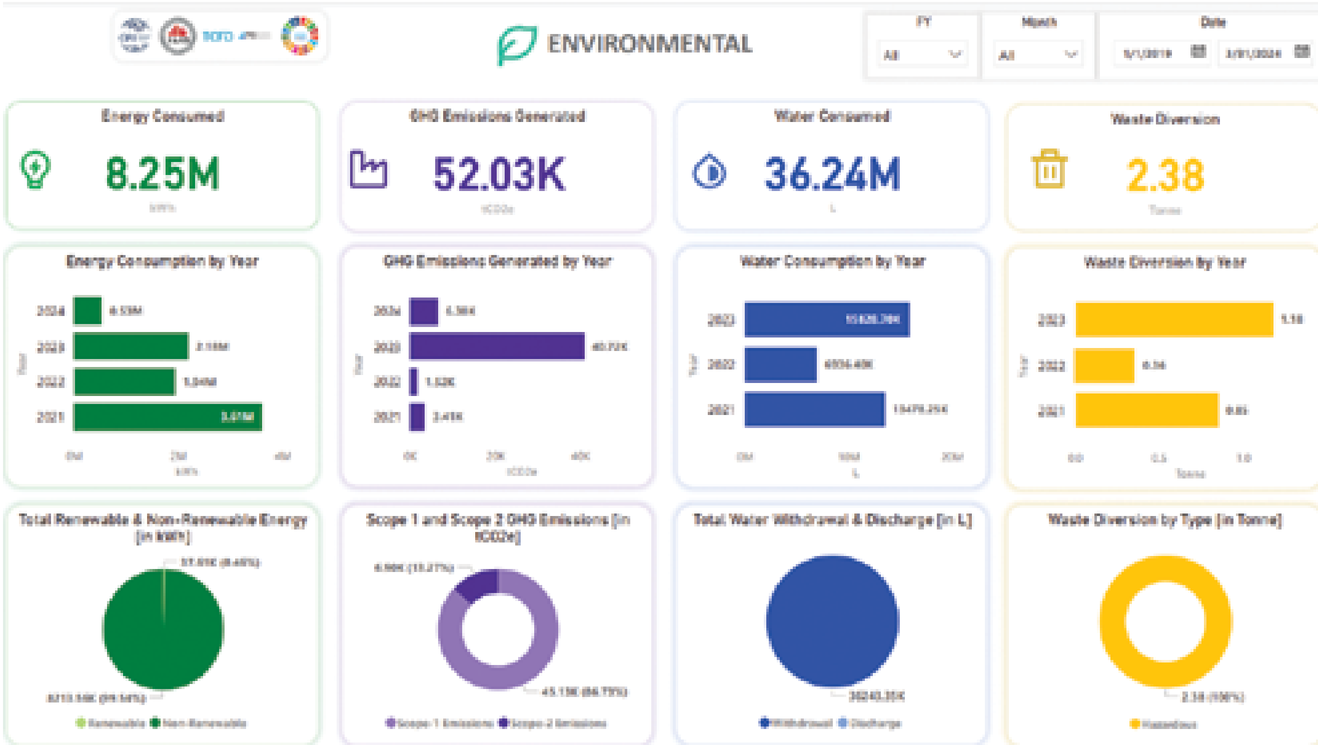
Emission
Calculates and categorises our emissions into stationary, mobile, and fugitive sources.

Data Management
Customisable to meet specific business needs.

Audit
Provides access for auditors to review and assure our ESG data.

Climate Change Dashboard
Assesses emission output in alignment with 1.5°C or 2°C scenarios.

Peer Benchmarking
Compares our ESG performance with peers on key parameters.



Note: This is just a snapshot of the ESG software dashboard and the numbers are not reflective of the actuals as on date.

Materiality and Material Topics

The materiality assessment forms the basis for our sustainable business practices and provides strategic insights for action. We are committed to addressing and reporting on the most significant sustainability issues through a robust materiality assessment conducted periodically. This assessment involves extensive stakeholder engagement and impact assessment.

Given the comprehensive nature of our recent assessment, we have retained the identified material topics for FY 2023 and the subsequent two years. Stakeholder responses, analysed on various parameters such as scale, scope, and likelihood, informed our impact assessment and led to the final list of material topics. These topics reflect the priorities of both IIFL and our stakeholders and represent our impact on sustainable development.

We will revise and reassess these material topics every three years, engaging our stakeholders to update and formulate relevant policies, ensuring they remain of utmost importance.

Stakeholder Engagement

At IIFL HFL, we work to understand and meet our stakeholders' needs, interests, and expectations to create mutual value. We encourage open and transparent communication, tailoring our engagement mechanisms to each prioritised stakeholder group. Through our stakeholder engagement exercises, we gather perceptions and expectations on ESG (Environment, Social, and Governance) matters.

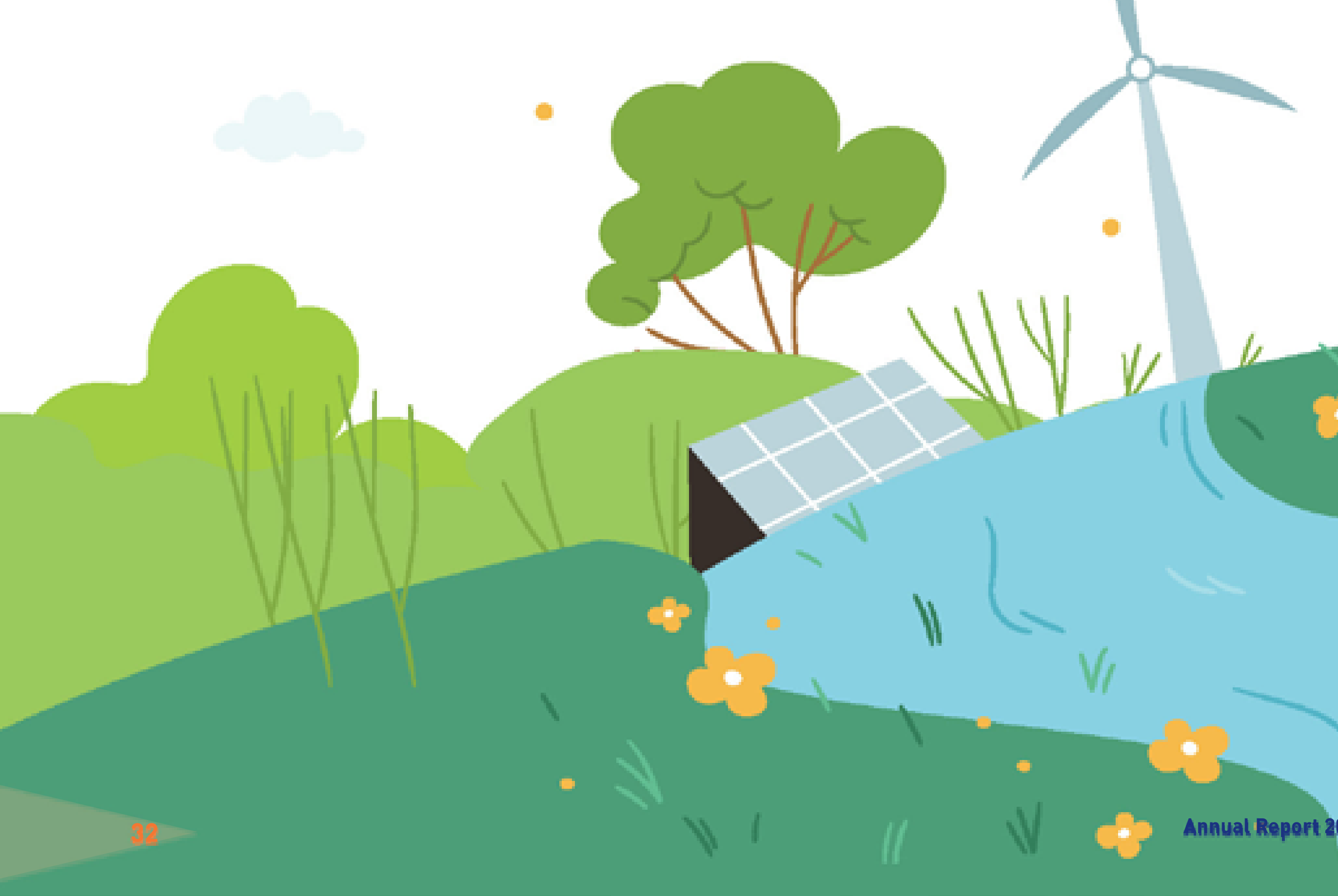
We have a training and engagement calendar for our employees, supplemented by regular townhalls and branch visits conducted by our regional Human Resource Business Partners. These sessions help maintain employee connections, communicate policies and processes, and resolve queries. Additionally, management holds quarterly townhalls to address queries and celebrate achievements. Regular Rewards and Recognition events at regional and company levels honour top performers.

Stakeholder Identification

Stakeholders refer to individuals and organisations who are affected by the activities of a company either directly or indirectly and who may have an influence over a company's business. We have identified our stakeholders based on the impact and influence they have on our business. We engage with them, seeking their inputs and insights to identify our material topics and this practice of material topic identification is carried out periodically, once in every 3 years. Stakeholders are prioritised depending on their level of impact, interdependence, and responsibility they have towards IIFL HFL.

Stakeholder Feedback

Utilising stakeholder feedback to refine our ESG strategies and material topic identification to reinforce our commitment to responsible business practices.



How We Engage with Our Stakeholders

Communities/NGOs

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Community development, health and hygiene, education, sustainable housing.	Active involvement and support for essential community services	Community projects, educational workshops, initiatives for sustainable living.	Regular community activities; periodic theme-driven activations.	Aligning CSR activities with local needs; sustainable impact through continuous resource investment.

Investors/Shareholders

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Corporate governance, ethical business practices, return on investment.	Transparency, ethical practices and robust ROI.	Financial reporting, AGMs, strategic briefings and one-on-one meetings.	Annual (AGM); quarterly reports; regular updates through briefings.	Clear, consistent communication; commitment to sustainable, profitable growth.

Regulators/Government

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Compliance with regulations, corporate governance, proactive regulatory participation.	Adherence to regulations, transparency, proactive legislative engagement.	Regulatory filings, participation in reforms, collaborative audits.	Regular submissions (quarterly, annually); continuous direct engagement.	Timely, accurate regulatory submissions; active policy engagement.

Industry Peers

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Fair competition, collaborations for market growth, thought leadership.	Cooperation for market development and fair competition.	Industry panels, joint projects, thought leadership programmes.	Regular industry interactions; project-based collaborations.	Promoting standards, mutual growth and a competitive yet cooperative environment.

Media & Analysts

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Business updates, market share insights, strategic developments.	Frequent updates on company strategies and market dynamics.	Press releases, media briefings, analyst calls.	Continuous and event-driven interactions.	Open communication channels for accurate and timely information dissemination.

Developers

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Support for sustainable projects, financial and regulatory guidance.	Financial assistance and expertise in sustainable development.	Construction finance, educational forums, certification support.	Project-based support; ongoing capacity-building initiatives.	Supporting project feasibility and sustainability from conception to completion.

Customers/Clients

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Financial products, fair pricing, transaction ease, grievance redressal.	Accessible, affordable financial products and transparent, responsive service.	Multichannel customer support, personalised financial solutions.	Continuous engagement on virtual and physical platforms.	Customer-focused interactions, prompt issue resolution and transparent communication.

Employees

Engagement Topic	Expectations	Engagement Activities	Frequency	How We Meet Expectations
Work culture, compensation, growth opportunities, skill development.	Supportive work environment, competitive pay, career development.	Feedback mechanisms, training programmes, internal communications.	Continuous feedback; periodic reviews (mid-year, annual).	Investment in employee growth, fostering recognition and inclusivity.

Dynamic Approach To Materiality

Our materiality assessment for FY 2022-23 was a dynamic and holistic process involving five key steps, with active participation from both internal and external stakeholders. The same material topics identified in FY 2022-23 have been retained for FY 2023-24. The steps taken in this comprehensive assessment are detailed below:

5 Step

1 Understand the Organization's Context

A high-level outline of IIFL's activities, business relationships, and relevant stakeholders was prepared, considering the sustainability context.

2 Identify Actual and Potential Impacts

Activities were linked to ESG topics, classified under environment, people, and economy. Positive and negative impacts were mapped and categorized as:

- Actual or potential impacts
- Caused, contributed, or directly linked to the organization
- Short, medium, or long-term impacts

3 Assess the Significance of Impacts

Impacts were assessed based on severity, scale, scope, irremediable character, and likelihood. Human rights violations were prioritized as material topics. Stakeholder responses were averaged to score each impact.

4 Prioritize Significant Impacts for Reporting

Impacts were sorted by score, with the top 40% of both positive and negative impacts considered for the final list of material topics. These topics remain unchanged for FY 2023-24, with a revision cycle every three years.

5 Align with UN SDGs

Material topics were aligned with the UN Sustainable Development Goals (SDGs) to connect IIFL's ESG factors with broader environmental, societal, and economic goals.

Material Topics in Alignment with UN SDGs

The final material topics reflect significant impacts on the economy, environment, and people, including human rights. Aligning these topics with the SDGs highlights IIFL's contribution to sustainable development.

ESG	Material Topics	Linkage with GRI & others	Linkage with SDGs
Environment	Climate Change and GHG Emissions	GRI 305	13 Climate Action
	Energy Use and Management	GRI 302	7 Affordable and Clean Energy
Social	Non-discrimination	GRI 406	10 Reduced Inequalities; 5 Gender Equality
	Transparent information and fair advice for customers	SASB (Finance Sector)	9 Industry, Innovation and Infrastructure
	Responsible lending and Debt prevention	SASB (Finance Sector)	16 Peace, Justice and Strong Institutions
	Customer privacy and Data security	GRI 418, SASB (Finance Sector)	9 Industry, Innovation and Infrastructure
	Diversity and Equal opportunity	GRI 405	16 Peace, Justice and Strong Institutions; 5 Gender Equality

ESG	Material Topics	Linkage with GRI & others	Linkage with SDGs
Economy	Anti - Corruption	GRI 205	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Economic Performance	GRI 201	8 DECENT WORK AND ECONOMIC GROWTH
	Customer Management	Non GRI	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Digitisation	Non GRI	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Financial Inclusion and Literacy	GRI 406	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES
	Transparency and Corporate Governance	GRI 2-3	7 AFFORDABLE AND CLEAN ENERGY

An Empowered and Engaged Workforce

At IIFL, we consider our human resources a key contributor to our success. We believe in empowering our people with specific skills and knowledge required to excel in a professional environment. It has increased our emphasis on continuous learning and development, adoption of digital tools to facilitate smooth employee journeys and engage our people in initiatives that ensure physical as well as mental well-being.

Attracting and Retaining Top Talent

We strive to recruit people from diverse backgrounds and lay emphasis on aligning them with our values and long-term goals. We have implemented an RPO (Recruitment Process Outsourcing) model to attract potential candidates. Additionally, we participate in the government's Apprenticeship Programme for recruiting fresh talent.

Onboarding New Hires

For new employees, particularly those in frontline roles, a comprehensive induction programme has been designed. From the very first day, new hires are given a proper understanding of the company's business and its operations. We also encourage feedbacks and discussions to ensure open and transparent communication between managers and new hires.

Comprehensive Orientation Programme

Our GROW programme provides a structured and informative introduction to the Company's values, policies, procedures, and work culture. This programme sets a solid foundation for new employees, ensuring successful integration into the organisation.

Virtual Employee Induction

We offer immersive virtual sessions for new hires, focusing on company policies, employee benefits, code of conduct, and organisational expectations. Dynamic learning apps and interactive platforms are used to facilitate these sessions.

Mentorship and Support

New employees are paired with experienced mentors who provide guidance and support during the initial phase of employment. This mentorship helps new hires acclimate to the Company culture and expectations.

Regular Check-Ins

Scheduled touchpoints are conducted during the first six months to ensure a smooth transition, address any concerns, and provide additional support if needed. Feedback from new hires is collected to continuously improve the onboarding process.

Learning and Development

Initial training sessions focus on role-specific skills, company tools, and software. We also offer ongoing development opportunities through workshops, webinars, and e-learning modules to enhance employee skills.

Onboarding Feedback and Improvement

Feedback from new hires on their onboarding experience is regularly collected. Based on this feedback, we make continuous improvements to the onboarding process, ensuring it remains effective and responsive to employee needs.

Succession Planning

Through a focused succession planning programme, we identify high-potential employees for future leadership roles. With an emphasis on proper training and skill development, we ensure a smooth transition of people to important positions within the organisation.

Embracing Digitalisation

Digital tools are being implemented to transform our HR processes. We are leveraging technology to create a more accessible, efficient and engaging experience for our employees throughout their association with the organisation.

Developments in Digitisation

Transition to New HRMS

Implemented Darwin Box for advanced HR management.

AI Chatbot for Feedback and Queries

Enabled employees to anonymously share feedback and queries via chatbots, ensuring timely responses.

Disperz Platform

Integrated Disperz for enhanced employee engagement and communication.

Physical and Mental Wellbeing

Employee well-being is essential for achieving organisational success. To achieve this goal, we have developed comprehensive wellness initiatives to ensure physical as well as mental well-being.

Physical Health

- Partnerships with leading healthcare providers
- Subsidised healthcare rates
- Access to affordable, high-quality medical care
- Emphasis on preventive measures
- Provided online training programs for road safety awareness.

Mental Health

- Regular webinars by expert psychologists and psychiatrists
- On-call mental health support
- Proactive outreach and follow-up by mental health profession

Employee Engagement Initiatives

We conduct several employee engagement initiatives to build an engaged and motivated workforce.

Our regional HR Business Partners (HRBPs) conduct regular branch visits and attend town halls to connect with employees and gather feedback. We also celebrate local festivals and take high performing teams to offsite events. Our AI-powered chatbot is also used to conduct real-time pulse surveys for providing insight into employee concerns and allows us to proactively address them.

Diversity and Inclusion (D&I) Achievements

We are committed to creating an environment where everyone feels valued, respected, and empowered to reach their full potential.

Championing Gender Equality

ADB Gender Champion Training

Our participation in the Asian Development Bank's Gender Champion Training programme equips our leaders with the knowledge and tools to promote gender equality throughout the organisation.

Breaking Barriers

We actively support our female leadership and conduct 'Women in Leadership' webinars to inspire others and provide guidance for excelling in the professional arena.

Bridging the Gap

We strive for a balanced representation across all levels of the organisation, including management positions. This enables us to benefit from diverse perspectives and helps us foster a more inclusive working environment.

Commitment to Diversity and Inclusion

While gender equality is a key focus, our commitment to diversity and inclusion remains ingrained within the organisation. We are working towards creating a workplace that welcomes and embraces individuals from different backgrounds. This includes our efforts to accommodate people with disabilities through structural adaptations at our offices and supportive policies.

Effective Grievance Redressal

We have deployed an effective grievance redressal mechanism with provision for real-time feedback. It helps to resolve employee concerns amicably within shorter timeframes. Our employee chatbot also allows individuals to anonymously report grievances. This ensures a safe space for employees to voice their concerns and facilitates timely intervention by HRBPs.

Continuous Learning and Development

In a rapidly evolving industry undergoing digital transformation, a culture of continuous learning and development is crucial. This enables our people to possess knowledge and skills to deliver exceptional service.

16

Average Learning Hours

47

Learning and Development Programmes

Building a Dynamic Learning Ecosystem

Rigid training models have been replaced with a more interactive and adaptable learning environment. Regular assessments are conducted to identify skill gaps and in consultation with department heads as well as other team members, specific training programmes are designed.

A Commitment to Continuous Learning

Our learning platform personalises the learning journey for each employee. The platform tracks progress and delivers targeted training programmes that equip our workforce with latest industry expertise and technological proficiency.

Championing a Greener Future

At IIFL Home Loans, we are dedicated to fostering a sustainable business environment. Our focus on reducing environmental impact spans across various domains including energy management, greenhouse gas emissions, water and effluent management, and waste management. By integrating innovative practices and engaging with stakeholders, we strive to create a positive impact on the environment and society while driving long-term value creation.

Asian Development Bank's Technical Assistance Programme

In collaboration with the Asian Development Bank (ADB), we have launched a program to support India's affordable housing market with green building initiatives. This program promotes green building, affordable housing, and women's access to housing by enhancing market understanding, establishing a unified green building rating system, and integrating green lending and climate adaptation strategies. It also addresses barriers that prevent women from accessing affordable housing and supports housing finance companies and developers in adopting green and climate-adaptive solutions.

I. Promotion & Propagation

16 Kutumbs

2850+ Participants

140+ Expert Sessions

II. Capacity Building

27% Women Participation

250+ Expert Sessions

19+ Unique Organisations

7 Training Programmes in 6 citiies

III. Research & Innovation

4 DIY kits based on climatic zones were developed

Disha Initiative

DISHA is a community engagement initiative which addresses solid and liquid waste management in Ghaziabad, Noida, Delhi, and Gurgaon, emphasizing recycling efforts. The initiative also includes road safety workshops and infrastructure improvements, such as helmet donations, to promote safe commuting practices across various cities. The program aims to raise awareness, empower communities, advocate for safety, and enhance public infrastructure impact.

1,510+ kg Garbage Collected

1,210+ kg Garbage Recycled

3,300+ Trained on Waste Management

1,500+ Trained on Road Safety

600 Barricades Donated

1,200 Helmets Donated

Gap Assessment

We conducted a gap assessment and identified several areas in our ESG performance that require improvement. Key areas for enhancement include comprehensive data capture across all branches, improved ESG training, and the establishment of a unified grievance redressal mechanism. Our long-term objectives focus on integrating climate risk into our credit appraisal process and formalizing supplier assessments.

Key Outcomes

- Capture and report data on customer segments and geographic distribution
- Implement comprehensive credit bureau checks
- Maintain optimal Loan-to-Value (LTV) ratios
- Monitor and manage Debt Burden Ratio (DBR)

Humara Kutumb

Our focus shifts to direct community engagement, helping communities build affordable and sustainable houses. We apply insights from Kutumb sessions pragmatically. Humara Kutumb explores green affordable housing, covering both group housing and self-built construction segments.

Program Structure and Components

Empowering Homeowners and the Green Building Value Chain

Empowering homeowners and the green building value chain, we focus on owner-driven homes by mobilizing stakeholders. Using a matrix crafted by IIFL, we define parameters and green measures to guide the construction of demo houses, conduct training sessions, and provide support for achieving green certification.

75 Participants Engaged

Comprehensive Training and Capacity Building

Conduct training sessions for homeowners, contractors, and masons to ensure effective implementation of green building practices.

Demo House

We built a demo house with sustainable design principles to inspire local communities. We documented the construction through instructional videos to promote best practices and establish supply chains for sustainable materials.

Owner-Driven Homes and Socio-Cultural Modeling

Sustainability Approach and Key Strategies

- Combine structural sustainability with community engagement.
- Integrate social, ecological, and climate sustainability in materials, focusing on improving air quality, community health, and reducing environmental impact.
- Use sustainable materials like fly ash bricks, implement low-flow water systems, space-saving construction, and cool roofing for better heat management.

Anticipated Outcomes

Homeowner Facilitation

- Equip homeowners with the knowledge and skills to adopt sustainable materials and technologies.

Capacity Building and Supply Chain Creation

- Establish local ecosystems with trained masons, contractors, and material entrepreneurs.

Community Impact

- Create multiplier effects in local communities by demonstrating the benefits of sustainable practices.
- Provide design guidance for environmental performance, energy, and water conservation.

Green Value Partnership (GVP)

The construction industry remains a significant consumer of non-renewable resources, with buildings in India accounting for over 30% of the country's electricity use and substantial CO2 emissions. Recognising the gap between available energy conservation methods and the knowledge of green building concepts among developers, we at IIFL Home Loans have launched the Green Value Partner (GVP) initiative. GVP aims to reduce environmental impact by supporting the development of green affordable housing in India, focusing on scaling sustainable development for maximum impact.

Through GVP, we provide end-to-end assistance to developers, ensuring the successful implementation of green building practices from concept to completion. Our Green Value Partners work closely with developers throughout a project's lifecycle, ensuring all criteria for Green Building Certification are met. By promoting homes designed to be comfortable, healthy, and environmentally friendly, we contribute positively to both residents and society.

23,620+ Green Housing Units Funded

18,130+ tCO2e/year GHG Emission Offset through GVP Initiatives

19,710+ MWh/year Energy Savings through GVP Initiatives

1,130+ ML/year Water Savings through GVP Initiatives

Energy

IIFL Home Loans prioritises energy efficiency and sustainability across our operations. By focusing on reducing energy consumption and optimising energy use, we aim to minimise our environmental impact. Our efforts towards sustainable energy management have resulted in our head office in Gurgaon achieving a Gold Level LEED rating with 75 points.

Initiatives

- **Installation of Sensors**

  Lowered energy intensity by reducing electricity consumption.

- **Energy Management Systems**

  Regulated and controlled lighting, HVAC, air conditioning, and heating in several office locations.

KPIs for FY24

88.63%
Reduction in Direct Energy Consumption in the Past 3 Years

76.89%
Reduction in Energy Intensity in the Past 3 Years

210+ MWh
Electricity Saved through Installation of CFL Lights

1.90+ tonnes
CO2 Reduction through EV Rides

1,790+
EV Rides

Climate Change

IIFL Home Loans recognises the importance of addressing climate change and its associated risks. As regulated by the United Nations Framework Convention on Climate Change and the Kyoto Protocol, we are committed to reducing our greenhouse gas (GHG) emissions. These emissions, primarily resulting from the use of fuels, energy, and other resources, contribute significantly to global warming and climate change.

Steps to Address Climate Change

01

Green Housing Loans

We offer green housing loans at discounted rates to our customers. These loans not only reduce GHG emissions but also lower waste production, water use, and energy consumption.

02

Energy-Efficient Lighting

We replaced numerous 72-watt CFL lights with lower wattage LED lights, resulting in annual electricity savings and reduced carbon dioxide emissions.

03

Solar Panels

Installed at our head office, solar panels now supply about 3% of our electrical needs, reducing our dependence on non-renewable energy sources.

04

Green Housing Loans

We offer green housing loans at discounted rates to our customers. These loans not only reduce GHG emissions but also lower waste production, water use, and energy consumption.

05

Collaboration with BluSmart Mobility

Partnered with BluSmart Mobility, India's first all-electric shared smart mobility platform, to reduce carbon emissions from employee commutes. This initiative significantly reduced carbon dioxide emissions through numerous rides.

06

Sustainable Living Programs

We promote sustainable living and green housing through initiatives like "Kutumb," "Disha," and "Green Value Partnership (GVP)."

GHG Emissions		FY24 HO	FY23 HO	FY22 HO
Scope 1	tCO2e	51	69	56
Scope 2	tCO2e	668	589	711
Total GHG emissions	tCO2e	**719**	**658**	**767**
GHG Intensity	tCO2e/Mn INR	0.043	0.024	0.037

Water Management

At IIFL Home Loans, water management is an integral part of our sustainability strategy. Recognising the essential role of water in our operations and its broader environmental impact, we have implemented several initiatives to manage and conserve water resources efficiently.

Sewage Treatment Plant

Our headquarters in Gurgaon houses a sewage treatment plant with a capacity of 8,000 litres. The treated water is repurposed for cleaning and landscaping, thereby reducing the consumption of freshwater.

Water Softeners and Treatment

We maintain water softeners and treat water for use in cooling towers, cleaning, and restrooms, promoting efficient water usage across our operations.

Aerators Installation

The installation of aerators has significantly reduced water consumption across our facilities.

Rainwater Harvesting

We operate a rainwater harvesting system with a capacity of 6,000 litres, further supporting our water conservation efforts.

18,060+ m³
Total Water Consumption

Waste Management

Minimising waste production and enhancing waste management are key aspects of our sustainability initiatives at IIFL Home Loans. Our approach focuses on reducing waste generation, reusing materials, and recycling, aligning with best practices in ESG reporting.

Waste Management Practices

Digital Transition:

By digitising our business activities, we have significantly reduced paper consumption. This year, we saved 99,14,396 sheets of paper by delivering statements and documents electronically.

E-Waste Management:

We have contracts with licensed recyclers, such as AVIS Group, for managing electronic waste. A dedicated room is assigned for keeping e-waste, which is periodically collected and recycled.

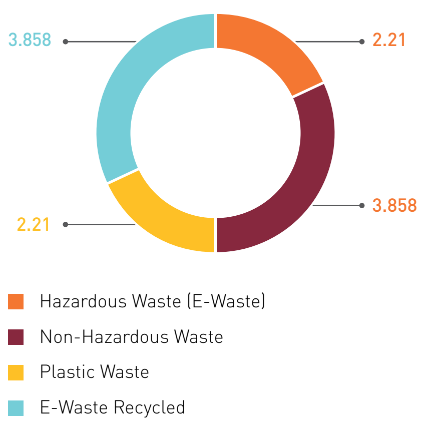
Plastic Waste Reduction:

Strategies to reduce single-use plastic are implemented across our operations, contributing to our overall waste reduction goals.

Waste Recycling:

Our recycling initiatives ensure that waste products are repurposed for future use. We have installed nationwide e-waste collection bins to facilitate recycling.

Waste categorisation FY24
in metric tons



Fostering Social Well-being

Our community development initiatives are designed to address the pressing needs of marginalized groups, ensuring that our contributions lead to meaningful social transformation. By focusing on education, health, skill development, and environmental conservation, we aim to create lasting and positive changes in society.

Focus Areas

Education and Empowerment

- Enhancing educational opportunities
- Empowering individuals through skill development
- Bring education closer to marginalised girls
- Enhances teacher capabilities and introduce innovative learning methods in underprivileged areas

Health and Well-being

- Provide comprehensive medical services in underserved regions
- Making affordable healthcare accessible to all
- Support the nutritional and health needs of children from migrant worker families

Environmental Conservation

- Promote sustainable living and conservation practices
- Involving communities in waste management and sustainable housing projects
- Improve living conditions and encourage long-term ecological balance

Livelihood Generation

- Empower local artisans and marginalized communities
- Preserve cultural heritage, and create sustainable livelihoods
- Economic independence and improve quality of life of artisans

Project Sakhiyon ki Baadi

A significant issue persists with many girls, especially in Scheduled Tribe areas, remaining out of school and illiterate. To address this, we have established community schools called Sakhiyon ki Baadi in villages, providing accessible education for girls with a curriculum aligned to Rajasthan's government school textbooks. This initiative also conserves Indigenous languages, provides employment to native females, and promotes skill-building among marginalized communities.

300
Learning Centers Established

9,000
Girls Reached

Project Chauras

Chauras is a combined learning centre and crèche dedicated to the children of labourers, frequently migrants, employed at construction sites, brick kilns, or mineral grinding units. Each child is provided with three meals daily, comprising two hot meals and one nutritious meal, with additional provisions for undernourished children. Regular health check-ups and vaccinations are also conducted to ensure their well-being.

980+
Children Enrolled

11
Facilities Covered

42
Children Admitted to Government Schools

Project Seva Kutir

We have established 10 community-based learning centres for the holistic development of children from marginalized communities in Sheopur District, Madhya Pradesh. These centres offer special coaching to excel in academics, provide nutritious meals twice a day, and engage children in extracurricular activities. Additionally, a mini library with a collection of 100 books is set up to improve reading and comprehension skills. Special sessions on value education cover themes such as self-awareness, responsibility, ethics, and morals.

910+
Marginalised Children Benefited

5,580+
Teachers Trained

Project Pankh

To create a conducive learning environment for the children of migrant construction site workers, we engage with the community through workshops. This initiative aims to further their education and create new opportunities for those eager to excel but facing financial constraints. These workshops include programs on health and hygiene for women, behavioural change for men, and safety at construction sites, aiming to improve health practices, promote positive behaviour, and enhance safety awareness.

250+
Children enrolled

4,180+
Migrant Workers Empowered through Awareness Programmes

Kutumb App

The Kutumb App is an eco-friendly platform designed to engage with a diverse array of stakeholders, including developers, ministries, regulators, development finance institutions (DFIs), architects, enthusiasts, and peers.

ESG Progressive Evaluation

The IIFL GVP team is assessing various projects and construction sites based on environmental, social, and governance (ESG) criteria. This evaluation also includes ongoing compliance with regulatory environmental requirements.

10
Sites Undergoing The Evaluation

Project Smart Shala

IIFL Foundation has partnered with Sampark Foundation and Niti-Aayog to enhance education in the aspirational districts of Sonbhadra and Chitrakoot in Uttar Pradesh. This initiative focuses on developing teachers' skills through custom-designed TLM Kits and expert training, supported by field supervisors.

2.70+ Lakh

Students Impacted

Interactive Flat Panels

In Rajasthan, interactive flat panels have been installed in government schools to promote interactive learning sessions, further enriching the educational experience for students in Baran and Udaipur districts.

25,000

Students Benefited

Multi-speciality Hospital

An in-patient ward has been developed in Thane and Palghar districts of Maharashtra to address the acute need for cancer, eye, cardiac, and neuro care services under one roof at subsidized rates. This new hospital building features dedicated facilities for cancer radiation therapy, comprehensive eye care, and other multi-specialty services offered at very low cost, ensuring accessible and affordable healthcare for the community.

1,950+

Patients Treated

Green Handbook Volume 2.0

The second edition of the handbook provides guidance for homeowners, contractors, and small developers in Tier 2 and Tier 3 Indian cities. It focuses on sustainable design, construction techniques, and materials for low-rise buildings, emphasising passive design and energy-water conservation. The goal is to encourage sustainable practices for buildings up to G+3 levels on plots up to 500 sq.m, considering regional climates and exemplary projects

Project Upliftment of Local Artisans

To rejuvenate traditional arts and empower communities, the project supports a group of women artisans in West Bengal. By providing digital and financial literacy training, along with infrastructural support to enhance production, it aims to create sustainable livelihoods, preserve cultural heritage, and promote community development. Additionally, leveraging social media for sustainable housing promotion further amplifies its impact.

250+

Artisans Trained

Robust Governance

At IIFL HFL, we prioritise an active, well-informed, and independent Board to uphold exemplary Corporate Governance standards. Our Board ensures regulatory compliance, offers impartial guidance to Management, fosters sustainable growth, and safeguards stakeholders' interests.

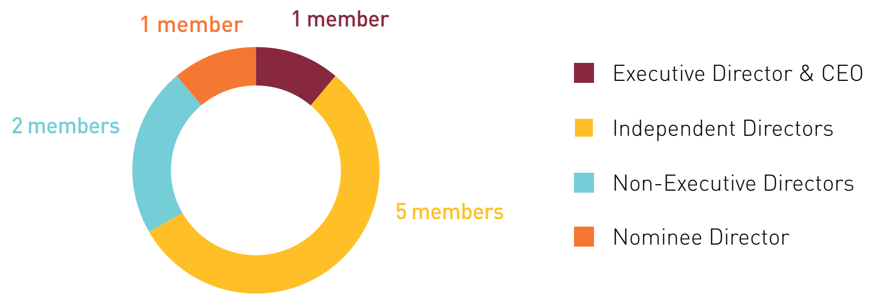
The nomination and selection process for Board members adheres to the Companies Act, 2013. The Nomination and Remuneration Committee (NRC) evaluates candidates' qualifications, recommending suitable individuals to the Board for approval. This ensures only qualified candidates are appointed, maintaining compliance with regulatory standards and promoting effective governance.

The Board actively addresses critical concerns, with communication frequency based on issue severity. Conflicts of interest are disclosed by Directors to the Board and stakeholders annually and as incidents arise, covering cross-board membership, cross-shareholding, controlling shareholders, and related party transactions.

Zero

Critical Concerns In FY24

Board Composition



Role of Governance Body in Sustainability

The Board plays a pivotal role in our organisational development, by defining our core mission to provide educational resources to underprivileged communities, and establishing values of inclusivity and innovation Responsibility for ESG initiatives lies with the ESG committee, informed by stakeholder feedback shared during quarterly reviews. The Board ensures prosperity while upholding investors and stakeholder interests.

The highest governance body, comprising Non-Executive Directors, reviews and approves sustainability reporting, fostering regular communication on economic, environmental, and social impacts. Comprehensive information is provided to the Board before quarterly meetings to facilitate thorough discussions on sustainability metrics and challenges. The minutes of these meetings serve as formal records, ensuring transparency and accountability in decision-making. Post-meeting follow-ups reinforce the integration of sustainability considerations into governance processes.

Board Committees

Our governance structure includes specialised committees that provide focused oversight and recommendations:

Committee	Key Responsibilities	Members
Audit Committee	Oversees financial statements, auditors' independence, related-party transactions, and internal controls.	**Mr. Srinivasan Sridhar** (Independent Director) **Mr. Kabir Mathur** (Nominee Director) **Mr. Venkataramanan Anantharaman** (Independent Director),
Nomination and Remuneration Committee	Identifies and evaluates candidates for Director and Senior Management positions, and formulates remuneration policies.	**Mr. Srinivasan Sridhar** (Independent Director) **Mr. Kabir Mathur** (Nominee Director) **Mr. Venkataramanan Anantharaman** (Independent Director),
Risk Management Committee	Manages financial, operational, and ESG-related risks, and ensures business continuity and regulatory compliance.	**Mr. Srinivasan Sridhar** (Independent Director) **Ms. Abhishikta Munjal** (Chief Risk Officer) **Mr. Gaurav Seth** (Chief Financial Officer) **Mr. Govind Modani** (Head Treasury) **Mr. Kabir Mathur** (Nominee Director) **Mr. Mathew Joseph** (Independent Director) **Ms. Mohua Mukherjee** (Independent Director) **Mr. Monu Ratra** (Executive Director & CEO) **Mr. R. Venkataraman** (Non-Executive Director)
CSR Committee	Oversees social, charitable, community, and educational activities, and manages related expenditures and publications.	**Ms. Mohua Mukherjee** (Independent Director) **Mr. Monu Ratra** (Executive Director & CEO) **Mr. R. Venkataraman** (Non-Executive Director)
Stakeholder Relationship Committee	Resolves investors' complaints and approves queries and requests from investors and shareholders.	**Ms. Mohua Mukherjee** (Independent Director) **Mr. Monu Ratra** (Executive Director & CEO) **Mr. R. Venkataraman** (Non-Executive Director)
Asset and Liabilities Management Committee	Liquidity risk management	**Mr. Srinivasan Sridhar** (Independent Director) **Ms. Abhishikta Munjal** (Chief Risk Officer) **Ms. Govind Modani** (Head Treasury) **Mr. Gaurav Seth** (Chief Financial Officer) **Mr. Kabir Mathur** (Nominee Director) **Mr. Monu Ratra** (Executive Director & CEO) **Mr. Mohit Kumar** (National Credit Manager) **Mr. Rajamani Venkataraman** (Non-Executive Director)

*As of 31st March, 2024

Policies, Frameworks, and Commitments

At IIFL HFL, we ensure our operations align with ethical standards and regulatory requirements through our policies.

Nomination and Remuneration Policy

Defines procedures for appointing and compensating Directors and KMPs.

Anti-Bribery and Anti-Corruption (ABAC) Policy

Ensures adherence to laws and regulations, prohibits bribery, and promotes ethical behaviour.

Corporate Social Responsibility (CSR) Policy

Guides our social and community initiatives.

ESG Policy

Integrates sustainability into our operations and products.

Board Diversity Policy

Promotes a diverse board composition to enhance corporate governance.

Related Party Transaction Policy

Ensures transparency and regulatory compliance in related-party transactions.

Whistle Blower/ Vigilance Policy

Protects whistle blowers and ensures the integrity of the company.

Human Rights Policy

Upholds human rights, prohibits discrimination, and promotes fair treatment for all stakeholders.

Stakeholder Engagement Policy

Gathers and addresses stakeholder perspectives to enhance transparency and manage risks.

Equal Opportunity Policy

Ensures inclusivity and prohibits discrimination based on various protected categories.

Grievance Redressal Mechanism

Customer satisfaction is ensured through a robust grievance redressal procedure. Customers can register complaints via online platforms, branch visits, or helpline calls. Complaints are acknowledged promptly with a unique number, and resolutions are committed within 30 days.

For unsatisfactory responses, grievances can be escalated to the National Housing Bank. Grievance policies and terms are displayed on our website and in branches in nine languages. Regular reviews by the Stakeholders Relationship Committee and the Board ensure effective grievance mechanisms, with stakeholder feedback driving continuous improvement.

Risk Management

Mitigating Threats Proactively

Our risk management framework enables us to mitigate threats and devise measures to prevent unforeseen circumstances. With the integration of digital tools, we have adopted a dynamic approach that ensures thorough oversight across all operational levels. Advanced technologies are leveraged to efficiently identify, assess and mitigate potential risks while safeguarding our reputation and financial health.

Line of defence	Functions	Scope and Authority
The Management	• Risk Committee • Information Strategy Committee • Audit Committee • Asset Liability Committee	• Integration of Risk Principles across all Businesses • Risk Strategy and Advisory • Risk Policies • Controls and Review • Organisational Communications
Functional Teams	• Risk Department • Business Functions	• Policy Implementation • Risk Monitoring and Reporting
Internal Audit	• Internal Audit Department • Risk Analytics	• Independent Reviews • Reporting to Board Committees

The major areas of Risk landscape include Credit Risk, Liquidity Risk, Digital Risk, ESG Risk, Third-Party Risk, Collateral Risk and Operational Risk.

Risk Assessment Methodology

Monitoring

Customers' performance is monitored through reports and dashboards

Early Warning Signals

- On the basis of monthly reporting, expectations are highlighted to the respective teams
- The tools used for EWS include bureau data, bounce trends and market new, if any

Off-us Performance

- The current repayment behaviour of the customers is tracked through the bureau data and same is utilised for better collection efficiency

Stress Testing

- Defining various scenarios
- Data compilation and validation, modelling the impact of scenarios on risk parameters through PD, LGD, and EAD

Vintage Analysis

- Vintage analysis allows monitoring of credit quality and thereafter taking corrective actions w.r.t policy and processes. The data is grouped into segments on the basis of origination month and analysed for the various time periods

A comprehensive understanding of risk management throughout the various levels of an organisation helps in driving key decisions related to risk-return balance, capital allocation and product pricing. Additionally, it is also ensured that there is appropriate focus on managing risks proactively by ensuring business operations are in accordance with laid-down risk.

Our risk management team is guided by the Company's Risk Management Committee and the Senior Management to develop and implement Risk Assurance practices on a pan-organisational basis.

	Risk Type	Mitigation Strategy
Credit Risk	Risk of loss from a borrower's failure to repay a loan or meet contractual obligations.	• **Integration of Digital Tools:** Utilisation of Business Rule Engines and scorecards, integrated into our onboarding processes, automates and enhances the accuracy of risk assessments, reducing reliance on manual interventions.
Liquidity Risk	Risk stemming from our inability to meet short-term financial demands.	• **Dynamic Financial Modelling:** Regular adjustments to financial models and stress testing scenarios within our Asset Liability Management framework to ensure adequate liquidity, irrespective of market conditions.
Market Risk	Exposure to financial loss due to movements in market price and rates, including interest rate risk and price risk.	• **Advanced Analytical Tools:** Use of real-time data analytics and market simulation models help to anticipate and react to market movements promptly.
Operational Risk	Risk of losses resulting from inadequate or failed internal processes, people and systems.	• **Enterprise-Level Risk Management (ERM) Software:** Newly implemented ERM software enhances visibility across all operational risks, promoting a proactive approach to risk management.
Regulatory Risk	Risks of legal or regulatory sanctions, financial forfeiture or material loss due to non-compliance with laws/rules.	• **Continuous Regulatory Engagement:** Regular interaction with regulatory bodies and compliance updates ensures alignment with current laws and anticipated changes in the regulatory landscape.
Cybersecurity Risk	Risks associated with digital transformation and cybersecurity threats.	• **Enhanced Cybersecurity Measures:** Strengthened protections through rigorous cybersecurity protocols, regular audits and real-time threat detection systems to safeguard digital assets.

Board of Directors

Mr. Srinivasan Sridhar
(Chairman and Independent Director)

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

Mr. Arun Kumar Purwar
(Independent Director)

Mr. Arun Kumar Purwar works as Chairman of Eroute Technologies Private Limited, a fintech Company as well as in Jindal Panther Cement Limited. He also works as an Independent Director in Companies across diverse sectors like power, telecom, steel, engineering consultancy, pharma and financial services. He also acts as an advisor to Mizuho Securities, Japan. He was Chairman of the State Bank of India ("SBI") from 2002 to 2006 and Chairman of the Indian Bank Association from 2005 to 2006. He has previously held positions such as Managing Director of State Bank of Patiala and was associated with the setting up of SBI Life. After his retirement from SBI, he was associated with a leading industry house in setting up the first healthcare focussed private equity fund as well as a non-banking finance company focused on funding real estate projects as well as educational institutions. He has won a number of awards including the CEO of the year award from the Institute of Technology and Management (2004), "Outstanding Achiever of the Year" award from the Indian Banks' Association (2004) and "Finance Man of the Year" Award by the Bombay Management Association in 2006

Mr. Kabir Mathur
(Nominee Director)

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

Mr. Mathew Joseph
(Independent Director)

Mr. Mathew Joseph has over 35 years' experience with India's Largest Housing Finance Company and superannuated as Member of Executive Management and Chief Risk Officer. Apart from overseeing Risk, his expertise included both Retail and wholesale Financing and was a Member of Core Committees of the Corporation. During his tenure with the Corporation, he led World Bank / IFC assignment's for supporting and establishing Housing Finance Institutions in Africa and Asia. He holds a bachelor's degree in science from the Madras University and is a Member of the Institute of Chartered Accountants. He is a Director on the Boards of Tamil Nadu Urban Infrastructure Financial Services Ltd, Tamil Nadu Urban Infrastructure Trustee Co Ltd, Veritas Finance Private Ltd and a Consultant with World Bank for their Affordable Housing Fund. He is also an advisor on Lok Capital, an Impact Fund.

Mr. Monu Ratra
(Executive Director and Chief Executive Officer)

Mr. Monu Ratra is a veteran in the mortgages industry with nearly two decades of experience. Mr. Ratra has been associated with brands like HDFC Ltd., ICICI Bank and India bulls Housing. Prior to joining IIFL Home Finance Limited, his last assignment was with India bulls HFC as National Business Manager. Mr. Ratra has been a part of the pioneering teams leading various functions to provide excellence through process and quality initiatives, contributing to industry-leading growth. While with the last company, his efforts and vision led to the building of a growth sales structure, starting from scratch, in a start up like environment. At IIFL Home Loans, Mr. Ratra brings strong focus on developing and delivering customer satisfaction with ease and low turnaround time.

Ms. Mohua Mukherjee
(Independent Director)

Mohua Mukherjee is a seasoned development economics professional with thirty years of international experience. She was among the youngest candidates ever selected for the globally competitive Young Professionals' Program of the World Bank in Washington DC. Her career at the World Bank included responsibility for designing and supervising World Bank investment projects, based on dialogue with Ministers and senior government officials in client countries. Mohua has led policy dialogue and formulated investment projects in 9 different sectors of the economy, in 44 countries on 4 continents, all pertaining to the UN's Millennium Development Goals and later the Sustainable Development Goals. She is an experienced leader of multi-disciplinary teams and has received various awards of appreciation from government clients for her consultative approach. She headed the Corporate Finance department first at Citibank and then at ABN AMRO Bank Nairobi, Kenya. Apart from this hands-on financial sector experience in Kenya, Mohua also has energy sector investment experience in 15 African countries, plus Nepal and Bangladesh and of course India as well. From 2014-2017, Mohua led the India Solar Energy Team of the World Bank, and she was responsible for managing a large team of professionals to complete the delivery of a US$1 billion solar program to the government of India. The US$640 Million blended-finance Solar Rooftops project with the State Bank of India, which she designed from the start, brought the OPEX model to the Indian solar rooftop market. Apart from the solar energy sector, Mohua also has a great deal of experience in the Indian electricity distribution company sector. She has contributed to various World Bank publications and also has three solo-authored books, with the most recent one being (in 2014) on private participation in the Indian power sector. In 2017 she ended her long career in Washington and moved to Bangalore for family reasons. Following her relocation to India, Mohua worked pro-bono for 2 years at the International Solar Alliance, to support its initial establishment. She is currently a World Bank consultant and she is Advisor to the India Smart Grid Forum. Mohua has a Bachelor's and Master's Degree in Economics, with distinction, and a Master of Business Administration degree in International Finance, all from Boston University. She also has a certificate in Public Private Partnerships from the Harvard Kennedy School.

Mr. Nirmal Jain
(Non-Executive Director)

Mr. Nirmal Jain is a MBA from IIM, Ahmedabad, a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited (HUL), the Indian arm of Unilever. He founded Probity Research and Services (later re-christened as India Infoline Limited) in 1995; one of the first independent equity research companies in India. Under his leadership, IIFL Group has grown into a dominant and diversified player in the financial services space.

Mr. Rajamani Venkataraman
(Non-Executive Director)

Mr. Rajamani Venkataraman is a non-executive Director of our Company and is one of the original Directors of our Company. He is a B.Tech in electronics and electrical communications engineering from IIT, Kharagpur and holds a Post Graduate Diploma in Management from IIM, Bangalore. He has more than 20 years in the financial services sector. He is the Co-Promoter and an Executive Director of our Promoter India Infoline Limited. Prior to joining the India Infoline Board in July 1999, he held senior managerial positions in ICICI Limited, ICICI Securities Limited, BZW and Taib Capital Corporation Limited.

Mr. Venkataramanan Anantharaman
(Independent Director)

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

Awards

Inkspell 8th DOD 2023
Cross-Channel Marketing Campaign

Dun & Bradstreet BFSI Summit 2024
India Leading Housing Finance Company

UBS Forums Sustainability Summit and Awards 2023
Sustainable Best Initiative of the year 2023 Go Green and Sustain ability Impact

Frost and Sullivan's Project Evaluation & Recognition Program 2023
Environment Leadership Category, Service Sector

Inkspell 7th Annual Drivers of Digital 2022
Best Financial Innovation

The Corporate Titan Awards
Best Lending Tech of the Year Award

India Sustainability Conclave and Awards 2023
Best Sustainable Initiate to Reduce Carbon Footprint

LACP 2022/23 Vision Awards
Integrated Annual Report (2022-23)

Stakes PR & Communications Excellence Awards 2023
The Kutumb Initiative

12th Edition of the Global Customer Engagement Forum and Awards
Successful Use of CSR Activity

The Golden Globe Tigers Awards
Greenhouse Gas Emissions Project

2nd Elets NBFC100 Leader of Excellence Awards
Outstanding Leader in Affordable Housing Finance

3rd ESG Summit and Awards
Best ESG Performance in Financial Inclusion

DIRECTOR'S REPORT FY 2023-24

Dear Members,

It is our immense pleasure to present the Eighteenth (18th) Annual Report of your Company for the financial year ended March 31, 2024. It covers the business performance and operations of the Company, along with the Audited Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2024.

1. Financial Summary

The Company's financial performance for the financial year ended on March 31, 2024 is presented below:

Consolidated and Standalone Financial Results

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

(₹ in Crores)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Gross Total Income	3,316.76	2,709.32	3,293.59	2,702.47
Less: Expenditure	2,002.41	1,708.80	1,965.38	1,679.58
Profit before Share of Profit of Associate and Tax	1,314.35	1,000.52	1,328.21	1,022.89
Profit from Associate	-	3.76	-	-
Profit before Tax	1,314.35	1,004.28	1,328.21	1,022.89
Less: Taxation	297.80	236.16	301.37	232.57
Net Profit after Tax	**1,016.55**	**768.12**	**1,026.84**	**790.32**

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

Financial Performance

Consolidated

On a consolidated basis, your Company has recorded an excellent performance with a turnover of ₹ 3,316.76 Crores during FY24 as against ₹ 2,709.32 Crores in the previous year and a profit after tax of ₹ 1,016.55 Crores as against ₹ 768.12 Crores in the previous year.

Standalone

On a standalone basis, your Company recorded an exceptional performance with a turnover of ₹ 3,293.59 Crores during FY24 as against ₹ 2,702.47 Crores in the previous year and a profit after tax of ₹ 1,026.84 Crores as against ₹ 790.32 Crores in the previous year.

The Company's strong liquidity position provides significant headroom for growth. The Company has a CRAR of 42.84% as on March 31, 2024 as compared to 47.28% as on March 31, 2023.

2) Change in the Nature of Business

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

3) Review of Business

Operational Highlights in brief

- The aggregate Assets under Management (AUM) of the Company stood at ₹ 35,498.55 Crores as on March 31, 2024. This represents a year on year (YoY) growth of 25% as compared to March 31, 2023.
- The Company disbursed 12,861 Crores during FY 24, an increase of 28% over FY 2022-23.
- The Company has 396 branches across India.
- The Company has reported 32% increase in its profitability at a consolidated level with a net profit of ₹ 1,016.55 Crores for the year ended March 31, 2024 as compared to a net profit of ₹ 768.12 Crores for the year ended March 31, 2023.

Total Income has increased from ₹ 2,709.32 Crores for the year ended March 31, 2023 to ₹ 3,316.76 Crores for the year ended March 31, 2024.

At the segment level, there is 37% growth in the loan book of Home Loans and growth of 11% in the LAP segment. The total loan book has grown by 29% y-o-y to ₹ 23,282.29 Crores as on March 31, 2024.

During the year, your Company has recorded an excellent performance and intends to keep up the growth prospects in coming future.

DIRECTOR'S REPORT (CONTD)

4) Resource Mobilisation

During the year under review, your Company has continued to diversify the sources of funds includes public sector bank, private sector bank, National Housing Bank and other financial institutions. Your Company vide Special Resolution passed on March 31, 2023, under Section 180 (1) (c) of the Companies Act, 2013, authorized the Board of Directors to borrow money upon such terms and conditions as the Board may think fit in excess of the aggregate of paid up share capital and free reserves of the Company up to an amount of ₹ 35,000 Crores (Rupees Thirty Five Thousand Crores only) and the total amount so borrowed shall remain within the limits.

Non-Convertible Debentures

During the year under review, the Company issued Secured Redeemable Non-Convertible Debentures aggregating to an amount of ₹ 1,140 Crores on private placement basis. The Company has also raised ₹ 250 Crores by way of issuance of Commercial paper. Further, the Company redeemed /bought Back Non-Convertible Debentures amounting to ₹ 76.90 Crores, issued on private placement basis.

The Company has been regular in making payments of principal and interest on NCDs. During the year under review, the Non-Convertible Debentures were paid / redeemed by the Company on or before their respective due dates. As of March 31, 2024, outstanding Secured Non-Convertible Debentures stands at ₹ 3,250.79 Crores and outstanding Unsecured Non-Convertible Debentures amount to ₹ 937.12 Crores.

Disclosure Under Chapter XI Guidelines on Private Placement of Non-Convertible Debentures (NCDs) of RBI Master Directions:

(i) The total number of NCDs which have not been claimed by the Investors or not paid by the Company after the date on which the non-convertible debentures became due for redemption is 6,833 NCDs.

(ii) The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred aforesaid ₹ 76,61,763.

Term Loans and Other Borrowings

During the year under review, the Company availed ₹ 2,500 Crores of refinance facilities from NHB under various refinance schemes of NHB. Further, the Company raised funds by way of borrowing from term loans ₹ 2,893.10 Crores. As on March 31, 2024, total outstanding borrowings excluding NCDs stood at ₹ 13,292.99 Crores.

Assignment of Loans

During the year under review, the Company assigned the receivables of housing loan portfolio aggregating to ₹ 1,775.94 Crores and Non-housing loan portfolio aggregating to ₹ 460.73 Crores. The Company was appointed as a servicer by the Assignee/Trustee to collect and receive payment of the receivables from the assigned Assets.

5) Dividend

During the year under review, considering the performance of the Company and the liquidity buffer available with the Company, your Directors recommended an Interim Dividend of ₹ 55 per equity share of face value of ₹ 10 each. The dividend was paid to those shareholders whose names were registered in the Register of Members as on January 19, 2024 being the record date. Total outgo towards payment of Dividend was ₹ 1,44,89,55,090. Your Directors recommend that the said Interim Dividend be considered as final.

6) Transfer to Reserves

Pursuant to Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. During the year under review, the Company transferred ₹ 205.40 Crores (20% of Net Profit for the year) to Special Reserve. As on March 31, 2024, the said Reserves stood at ₹ 766.47 Crores. The balance in General Reserves stood at ₹ 143.86 Crores.

7) Share Capital

Authorised Share Capital

As on March 31, 2024, Authorised Share Capital of the Company was ₹ 1,72,00,00,000 (Rupees One Hundred and Seventy-Two Crore Only) divided into 15,20,00,000 (Fifteen Crore and Twenty Lakh) Equity Shares of ₹ 10 (Rupees ten only) each and 2,00,00,000 (Two crore) Preference Shares of ₹ 10 (Rupees Ten only) each.

Paid-up Share Capital

As on March 31, 2024, the paid up share capital of the Company stands at ₹ 26,34,46,380 comprising of 2,63,44,638 equity shares of ₹ 10 each.

8) Public Deposits

The Company is registered with National Housing Bank as a non-deposit taking housing finance Company. During the year under review, your Company has not accepted/ renewed any public deposit. The provisions of Section 73 of the Companies Act 2013, read with applicable rules thereto and disclosure requirement under the para 44 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 are not applicable to the Company.

9) Employee Stock Option Schemes

Your Company has formulated Employee Stock Option Scheme ("Scheme"), which have been duly approved by

DIRECTOR'S REPORT (CONTD)

the shareholders of the Company in their meeting held on August 04, 2022. The Schemes have been devised in accordance with the Companies Act, 2013 with amendments or any enactments thereof, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (to the extent applicable).

The Company has approved to create, issue, offer and allot options exercisable into Equity Shares not exceeding 5,37,746 (Five Lakh Thirty-Seven Thousand Seven Hundred Forty-Six Only) options, with each such option conferring a right upon the Employee (as defined in the Scheme) to apply for one equity share of the Company, in accordance with the terms and conditions of such grant. Further, during the year under review pursuant to the Scheme the Nomination and Remuneration Committee approved to grant 4,85,126 to 86 employees of the Company, out of which 50% i.e. 2,42,563 ESOPs granted w.e.f. October 01, 2023, rest 50% ESOPs granted w.e.f. April 01, 2024.

In line with the Rule 12 of the Companies ((Share Capital and Debentures) Rules, 2014, the details related to options granted under the Employee Stock Option Scheme as on March 31, 2024 is provided in **Annexure II(a)**.

10) Investor Education and Protection Fund

The amount due on Non-Convertible Debentures remaining unclaimed for period of seven years from the date they become due for payment have been transferred to Investor Education and Protection Fund in accordance with the Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") and other relevant provisions of the Act. During the year, the Company has transferred 0.81 Crores to the Investor Education and Protection Fund (IEPF). The concerned debenture holders can claim the interest from IEPF.

11) Internal Financial Control with Reference to Financial Statements

The Company has in place adequate internal controls with reference to Financial Statements and operations and the same are operating effectively. The Internal Auditors tested the design and effectiveness of the key controls, and no material weaknesses were observed in their examination. Further, Statutory Auditors verified the systems & processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively as of March 31, 2024.

12) Vigil Mechanism

In Compliance with the provisions of Section 177(9) of the Companies Act, 2013, read with the Rules made thereunder, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The Policy also provides for adequate safeguard against victimisation of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of the Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee. Whistle Blower Policy is uploaded on website of the Company at https://www.iiflhomeloans.com/corporate-governance.

13) Prevention of Sexual Harassment of Women at Workplace

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

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

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

14) Credit Ratings

During the year under review, the Company's long term debt was rated BWR AA+ (Negative) by Brickworks Ratings, CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications') by CRISIL Rating Limited, [ICRA] AA; Placed on 'Rating Watch with Negative Implications by ICRA Limited; CARE AA (RWD) Placed on Rating Watch with negative Implications by CARE Ratings Limited and IND AA/Rating Watch With Negative Implication by India Ratings and Research.

15) Anti-Corruption Mechanism

It is the Company's vision - "To become the most respected company in the financial services space in India." Accordingly, we have an Anti-Corruption framework which consists of Anti-Corruption, Gift and Whistle Blower/Vigilance policies applicable to all our employees. The Company has responsibility to be transparent in all our dealings towards both the stakeholders and to the communities with which we conduct business.

The Company has a zero tolerance approach towards bribery and other forms of unlawful activities. Our Anti-Corruption framework ensures that stakeholders do not engage in bribery or corruption in any form. In all our policies, we explicitly stipulate that neither the Company nor its representative will pay or procure payment of a bribe or unlawful fee to encourage the performance of a task or one which is intended or likely to compromise the integrity of another. The Company does not accept any payment, gift or inducement from a third party which is intended to compromise our own integrity.

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

16) Particular of Holding / Subsidiary / Associate Companies

IIFL Finance Limited is the Holding Company of your Company and is one of the leading players in the Indian financial services space. It provides along with its subsidiaries home loans, gold loans, loans against property, medium and small enterprise financing, micro finance, construction and real estate finance and capital market finance, catering to both retail and corporate clients.

IIHFL Sales Limited is a wholly owned subsidiary of the Company. IIHFL Sales Limited offers professional/consultancy services that include sourcing, marketing, promoting, publicizing, advertising, brand building, selling and distributing, among others. It also intends to provide all kinds of advisory/consultancy services and fees-based intermediation, syndication and liasoning services. And there is no material change in the nature of business during the year under review.

As per provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) IIHFL Sales Limited does not fall under criteria of "material subsidiary". Further, the Company has framed a policy on Determination of Material Subsidiary and the same has been placed on the website of the Company.

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

Your Company does not have any joint venture and associate company at any time during the year ended March 31, 2024.

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

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

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

18) Risk Management

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

In order to safeguard and facilitate proactive management of risk, the Company has Board approved Risk Management Policy in place and created a comprehensive "Enterprise Risk Management Framework (ERM) which is designed to identify, measure, monitor, control and mitigate various types of risk. The Company's Risk Management strategy is governed by the Board with the assistance from it's Risk Management Committee that regulates and oversees enterprise-wide risk management, ensuring it to develop a sustainable business, creating the long term value for our stakeholders.

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

DIRECTOR'S REPORT (CONTD)

19) Directors and Key Managerial Personnel

As on March 31, 2024, the Company has nine Directors comprising of one Executive Director, and eight Non-executive Directors including five Independent Directors and one Nominee Director.

During the year under review, Mr. Kranti Sinha (DIN- 00001643), an Independent Non-Executive Director resigned, with effect from August 08, 2023 due to some personal reasons. Your Directors wish to place on record appreciation for the contribution made by Mr. Kranti Sinha during his tenure as an Independent Non-Executive Director.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mathew Joseph (DIN: 01033802) as an Independent Non-Executive Director of the Company with effect from October 31, 2023. The Members in their Extra-ordinary General Meeting held on January 30, 2024 approved the appointment of Mr. Mathew Joseph (DIN: 01033802) as an Independent Non-Executive Director of the Company with effect October 31, 2023, to hold office for a term of five consecutive years. The detailed profile of Mr. Mathew Joseph is provided in the Corporate Governance Report.

Changes in Board Composition after March 31, 2024

- The Board of Directors on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ramakrishnan Subramanian (DIN: 02192747) as an Additional Director in the capacity of Independent Director of the Company with effect from April 01, 2024 for a term of five consecutive years, subject to approval of the Members at the ensuing General Meeting.
- The two terms of Mr. Srinivasan Sridhar (DIN: 00004272) as an Independent Director of five consecutive years each had expired on March 31, 2024 (with effect from close of business hours).
- Considering Mr. Sridhar's ongoing participation, leadership and mentorship would be invaluable in guiding the Company to achieve its strategic objectives and navigating to the next phase of growth, Board upon recommendation of Nomination and Remuneration Committee appointed Mr. Sridhar as the Chairman and an Additional Director in the capacity of Non-Executive Director on the Board of the Company, effective from April 01, 2024, subject to the approval of shareholders at the ensuing General Meeting.
- The tenure of Mr. A K Purwar (DIN:00026383), independent Director stands expired on March 31, 2024 from close of business hours due to completion of tenure of Mr. Purwar as an Independent Director on the Board of IIFL Finance Limited, Holding Company. Your Board wish to place on record the invaluable contribution of Mr. Purwar to the growth of the Company.

Non-Executive Directors

In terms of provisions of Section 152 of the Companies Act, 2013, Mr. Nirmal Jain(DIN: 00010535), Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for reappointment. The Board recommends the same for shareholders' approval.

Disclosure under Section 197(14) of the Companies Act 2013

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

Key Managerial Personnel

During the year under review, Mr. Gaurav Seth, appointed as Chief Financial officer and Whole-time Key Managerial Personnel of the Company w.e.f. October 17, 2023 in place of Mr. Amit Gupta. Due to internal restructuring within the Company, Mr. Amit Gupta re-designated as Head Finance of the Company.

Mr. Monu Ratra, Executive Director & CEO, Mr. Ajay Jaiswal, Company Secretary and Mr. Gaurav Seth, Chief Financial Officer are the Key Managerial Personnel (KMPs) in accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

20) Number of Meetings of Board

During the period under review, Six (6) Board meetings were held and the gap between the said meetings did not exceed the limit of 120 days as prescribed under the provisions of Companies Act, 2013, and Rules made thereunder, Secretarial Standard-I Issued by Institute of Company Secretaries of India and provisions of SEBI Listing Regulations. The dates of Board meetings and details of attendance of each director have been disclosed in the Corporate Governance Report annexed with Board's Report as **Annexure-V.**

21) Committees of the Board

The Company believes that Board Committees are crucial to promote best Corporate Governance practices within the Company. Accordingly, the Company has constituted various Board Committees to improve the Board efficiency and to support in decision making. The constitution of these Committees is in acquiescence of provisions of the Companies Act, 2013, and relevant rules made thereunder, SEBI Listing Regulations, applicable regulations of National Housing Bank/Reserve Bank of India, Articles of Association and other guidelines issued from time to time. The details of the Board Committees of the Company including number & date of meetings of Committees held during the FY 2023-24 and attendance there at are disclosed

DIRECTOR'S REPORT (CONTD)

in the Corporate Governance Report annexed with Board's Report as **Annexure-V**.

22) Code of Conduct for directors and Senior Management Personnel

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

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

23) Directors & Officers Insurance Policy

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

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

24) Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of Independent Directors, Performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed.

In this regard, the Board of Directors considers that the Independent Directors on the Board of the Company has the required level of expertise, experience and integrity as is required for the position.

25) Familiarization Program for Independent Director

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

26) Internal Guidelines on Corporate Governance

The Reserve Bank of India (RBI) vide its Notification No. RBI/2020-21/73 DOR.FIN.HFC.CC. No. 120/03.10.136/2020-21 February 17, 2021 prescribed Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions) for housing finance Companies. The RBI HFC Directions, inter alia, requires all the Housing Finance Companies to put in place an Internal Guidelines on Corporate Governance and a Policy on "fit and proper" criteria for Director/s at the time of appointment, and on a continuing basis, with the approval of the Board of Directors of the Company. The Company has Internal Guidelines on Corporate Governance and the same is placed on the website of the Company.

27) Statement of declaration by Independent Directors

In terms of provisions of sub-section (7) of Section 149 of the Companies Act, 2013 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received declarations by Independent Directors stating and confirming that they are not disqualified to act as Independent Directors on the Board of the Company and further the Board is also of the opinion that the Independent Directors fulfil all the conditions specified in the Companies Act, 2013 making them eligible to act as the Independent Director.

28) Auditors and Reports:

M/s. S. R. Batliboi & Associates LLP (Firm Registration Number: 101049W/E300004) and M/s. Suresh Surana & Associates LLP,: (Firm Registration Number: 121750W/

DIRECTOR'S REPORT (CONTD)

W100010)are the Joint Statutory Auditors of the Company, to hold office for a period of three consecutive years from the date of their appointments. M/s. Suresh Surana & Associates, had been appointed as the Statutory Auditors of the Company in the 24th Extra-ordinary General Meeting ("EGM") of the Company held on September 30, 2021, in conformity with the provisions of RBI Guidelines, Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (includes amendments thereto) for a term of 3 years. The tenure of M/s. Suresh Surana & Associates LL,P shall expire from the conclusion of 18th Annual General Meeting of the Company.

29) Auditors Report

The Audit Report as issued by M/s. S. R. Batliboi & Associates LLP., Chartered Accountants and M/s. Suresh Surana & Associates LLP, Chartered Accountants), Statutory Auditors of the Company forming part of the Company's Financial Statements does not contain any qualifications, observations or remarks made by the Statutory Auditors in their Report.

30) Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

31) Maintenance of Cost Records:

The Company being a Housing Finance Company is not required to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013.

32) Regulatory Guidelines

The Company has duly complied with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, Capital Adequacy, concentration norms and ALM requirements, among others, as in force from time to time.

The Company has been maintaining capital adequacy as prescribed by RBI. The Capital adequacy was 42.84% (IND-AS) (as against 15% prescribed by the RBI) as on March 31, 2024.

Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs

The Reserve Bank of India in 2021 issued Scale Based Regulation (SBR) a revised regulatory framework for NBFC's which is applicable to your Company being an NBFC HFC category falling under middle layer.

The SBR framework encompasses different facets of regulation of NBFCs covering capital requirements, governance standards, prudential regulation, etc., the RBI decided to first issue an integrated regulatory framework for NBFCs under SBR providing a holistic view of the SBR structure and set of fresh regulations was issued during the financial year 2023-24.

With respect to above, the RBI has issued various circulars/ guidelines in the Financial Year 2021-22, 2022-23 and 2023-24 which were duly implemented by the Company including formation of policies, implementing procedures and to review their outcome on periodic basis.

IRDAI Compliance

The Company is registered with IRDAI for carrying on the Insurance Agency Business and has complied with the applicable requirements under Insurance Regulatory and Development Act, 1999 and IRDAI (Registration of Corporate Agent) Regulations 2015, as amended from time to time. Being an insurance intermediary, Company is maintaining all the required information as per IRDAI regulations.

33) Remuneration Policy

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

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

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

35) Significant and Material Orders

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

36) Corporate Social Responsibility

The Corporate Social Responsibility ("CSR") Committee of the Board has formulated and recommended to the

DIRECTOR'S REPORT (CONTD)

Board a CSR Policy indicating the CSR activities that can be undertaken by the Company. The Board approved the CSR Policy which is available on the website of the Company at https://www.iiflhomeloans.com/corporate-governance.

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

Most of the activities are undertaken through the India Infoline Foundation (generally referred to as "IIFL Foundation"), a CSR arm of the IIFL Group. During the year under review, your Company was required to spend 2% of its average net profits (computed as per the relevant provisions of the Companies Act, 2013) of the preceding years on CSR projects. The details of the amount spent and unspent are provided in the Annual Report on CSR which is enclosed at **Annexure I**.

37) Particulars of Employee

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure II(b)**.

Further, a statement showing the names and other particulars of employees drawing remuneration as per the limits set out in Rules 5(2) and 5(3) of the aforesaid Rules, forms part of this Report. However, in terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the Rules, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy will be sent.

38) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit was conducted by M/s RMG & Associates, Practicing Company Secretaries for the FY 2023-24. The Secretarial Audit does not contain any qualifications and the same is annexed as **Annexure III** to this Report.

39) Annual Secretarial Compliance Report

The Board of Directors of the Company has appointed M/s RMG & Associates, Practising Company Secretaries Firm to conduct an annual secretarial audit for FY 2023-24 on compliance with all applicable SEBI Regulations and circulars/guidelines issued there under. The Secretarial Auditors issued the Secretarial Compliance Report (the Report) Pursuant to the provisions of Regulation 24A of the Listing Regulations read with SEBI circular dated February 08, 2019.

40) Corporate Governance

Pursuant to the requirements of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). Related Party Transaction Policy and a Report of the Directors on Corporate Governance forms part of this report and are placed at **Annexure IV** and **Annexure V**, respectively.

41) Management Discussion and Analysis Report

In accordance with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions), the Management Discussion and Analysis Report forms part of this report and is provided in this Report at **Annexure VI**.

42) Annual Return

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

43) Secretarial Standards

The Board confirms that the Company complied with all applicable mandatory Secretarial Standards for the FY 2023-24.

44) Name & Contact Details of Debenture Trustees

a. Vistra ITCL (India) Limited
(Formerly known as IL&FS Trust Company Limited)
The Qube, 6th Floor, A Wing, Hasan Pada Road, Mittal Industrial Estate, Marol, Andheri (E), Mumbai - 400059
E-mail: mumbai@vistra.com

b. Catalyst Trusteeship Limited
(Erstwhile GDA Trusteeship Limited)
Unit No- 901, 9th Floor, Tower B, Penninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013
E-mail: dt.mumbai@ctltrustee.com

45) Directors' Responsibility Statement

The Board acknowledges its responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the

DIRECTOR'S REPORT (CONTD)

DIRECTOR'S REPORT (CONTD)

preparation of annual accounts for the year ended as of March 31, 2024 and states that:

a. In the preparation of the Annual Accounts, the applicable Accounting Standards were followed along with proper explanations relating to material departures;

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the Annual Accounts on a going concern basis;

e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and

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

46) Particulars of Loans, Guarantees or Investments

As the Company is a Housing Finance Company, the disclosures regarding the particulars of the loans made, guarantees given and security provided are exempt under the provisions of Section 186(11) of the Companies Act, 2013. As such the particulars of loans and guarantees have not been provided in this Report.

Your Company has committed to invest upto Rs 25 crore to acquire 5% stake in the RMBS Development Company Limited consortium as a founding member.

RMBS Development Company Limited is aimed at revitalizing the residential mortgage-backed securities (RMBS) market and unlocking its potential for financing affordable housing,

Further other investments made by the Company during the regular course of the business, are provided under Note No. 8, which forms part of the Audited Financial Statements for the year ended on March 31, 2024

47) Particulars of Contracts or Arrangements with Related Parties

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. No contracts/ arrangements have been entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other persons that may have a potential conflict with the interests of the Company. Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company. The transactions with related parties are disclosed in the Notes to Accounts in the Standalone Financial Statements of the Company for the year ended on March 31, 2024

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

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

Conservation of Energy

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

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

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

Technology

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

- The Company has introduced DIY Lead flow with real time validation of KYC, with decision derived from Jhatpat Business Rule Engine with auto- allocation to the sales team to take forward. This is LIVE and available on our Website
- The company has shifted to a new HR management system, enabling more efficient HR process along with attendance self check-in
- The company has focused on the whastapp customer service journey by introduction of vernacular languages, starting with hindi, and by providing customer requested documents real time within the whatsapp conversation.
- The company has shifted to a new collections module – for legal and call center, empowered by a business rule engine with automated allocation.
- The company has utilized Robotic Process Automation for different departments to automate repetitive tasks leading to cost and process optimization.
- The Company has introduced many tools such as Test Sigma for QA Automation, Github Co-Pilot for Assisted Coding, JIRA for Project Management etc. to enhance the go to market of technology changes.

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

49) Foreign Exchange Earnings & Outgo

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

Foreign exchange earnings: - Nil

Foreign exchange expenditure: - 0.74 Crores

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

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

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

Not applicable during reporting period.

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

Company has raised incremental long-term borrowing of Rs. 6,120 crore in the current financial year (FY2024). Borrowings raised by way of issuance of debt securities during the current year was Rs. 1,140 crore. There was a short fall of Rs. 390 crore, since the capital market condition was muted for raising long term debt securities during the year.

53) Annexure forming part of this Report of Directors

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

a. Report on Corporate Social Responsibility - **Annexure I**

b. The details related to options granted under the Employee Stock Option Scheme as on March 31, 2024 - **Annexure II(a)**

c. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – **Annexure II(b)**

d. Secretarial Audit Report- **Annexure III**

e. The Related Party Transaction Policy- **Annexure IV**

f. Report on Corporate Governance- **Annexure V**

g. Management Discussion & Analysis Report- **Annexure VI**

DIRECTOR'S REPORT (CONTD)

54) Acknowledgements

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

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

For and on behalf of the Board of Directors

Monu Ratra	**R. Venkataraman**
Executive Director & CEO	Director
DIN: 07406284	DIN: 00011919
Place: Mumbai	Place: Mumbai
Date: May 06, 2024	Date: May 06, 2024

Annexure I to Directors' Report

The Annual Report on Corporate Social Responsibility (CSR) Activities of IIFL Home Finance Limited for the Financial Year ended March 31, 2024

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

1. Brief outline on CSR Policy of the Company:

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

The CSR Policy and activities of the Company are guided by the same values that guide its business of the Company. It can be summarised in one acronym – FIT, which stands for:

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

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

The focus areas prioritised by IIFL Home Finance Limited in its CSR strategy are guided by the philosophy of HELP (Health, Education & Environment, Livelihood and Poverty Alleviation. The CSR activities of IIFL Home Finance are executed by India Infoline Foundation (generally referred to as "IIFL Foundation"), the Implementing Agency. In line with its philosophy, the Company had undertaken the following activities during FY 2023-24:

- Providing long term intervention, following a holistic approach (nutrition, health, learning, and community strengthening, in a caring and protecting environment) through our "Chauras" programme, which has benefited 500 children through 10 centers in Uttar Pradesh, Rajasthan, Gujarat.
- The Building foundational literacy among females from marginalised communities in Rajasthan, through our 'Sakhiyon ki Baadi' programme, which has engaged with 9,000 students across 4 districts through 300 learning centers.
- Promoting a programme Smart Shaal for Academic Learning of Teachers and Students at Government schools in Sonbhadra & Chitrakoot, Uttar Pradesh. Through this programme we engage with 2.7 Lakhs students and 5582 teachers from 2791 Government schools
- Growfund – Grant for building the capacity of 6 Non-Governmental Organisations (NGOs) from Tamil Nadu, Jharkhand, Karnataka and Maharashtra.
- Development of an in-patient ward at Bhaktivedanta Hospital, Mira Road, Thane, Maharashtra., dedicated to offer treatment at a low cost for patients. The facility offers Cancer radiation therapy, comprehensive eye care and other multi-specialty services.
- Creating awareness on the adoption of sustainable construction practices and the adoption of sustainable affordable housing through "Kutumb" - a knowledge ecosystem that promotes green affordable building in India. One Kutumb event was organised in New Delhi with 75+ participants. 'Humara Kutumb', an extension of Kutumb was launched which focused on providing awareness on sustainable construction techniques to BLC homeowners as well as assisting them in green certification processes. 28 homeowners have initiated their process for green certification.
- Partnering with the Government of Rajasthan we have provided Flat interactive panels (Smart TVs) to 75 government schools in Udaipur and Baran districts of Rajasthan, to promote learning over digital means. The project is approved under the guidance of Honorable Minister of School Education, Rajasthan.
- Support to 10 community-based learning centers – Seva Kutir, for holistic development of children from marginalized scheduled tribe communities in Madhya Pradesh. Children are offered special coaching to excel in academics, along with nutritious meals twice a day and engagement in extra-curricular activities.
- Partnered with Gyan Shaala to improve the literacy outcome of the girls enrolled in the Sakhiyon ki Baadi programme in Rajasthan, through development of structured syllabus and curriculum followed with training of the teachers.
- Creating awareness on solid and liquid waste management through the "DISHA" programme, which has engaged more than 3300+ people in Noida, Ghaziabad, Gurgaon & New Delhi.
- The Building foundational literacy among children of migrant workers and providing trainings to the construction workers, through our 'Pankh' programme, which has enrolled 200+ children.
- Contribution of 50 electric wheelchairs to Indian veterans.

Annexure I to Directors' Report (Contd)

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee entitled to attend	Number of Meetings of CSR Committee attended during the year
1.	Ms. Mohua Mukherjee	Chairperson	3	3
2.	Mr. R Venkataraman	Member	3	2
3.	Mr. Monu Ratra	Member	3	3
4.	Mr. Kranti Sinha*	Member	1	1

*Note- Resigned w.e.f. August 08, 2023.

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

https://www.iiflhomeloans.com/corporate-governance

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

Not Applicable

5.

S. No.	Particular	Amount (in ₹)
a.	Average net profit of the Company as per sub-section (5) of section 135	868,50,82,248
b.	Two percent of average net profit of the Ccompany as per sub-section (5) of section 135	17,37,01,645
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
d.	Amount required to be set-off for the financial year, if any	Nil
e.	**Total CSR obligation for the financial year [(b)+(c)-(d)]**	**17,40,00,000/- (Rounded off)**

a. Amount spent on CSR Projects (both ongoing project and other than ongoing project):

₹ 11, 76,60,093 - FY 23-24

₹ 3,93,76,480 - from unspent CSR Account of FY 22-23

b. Amount spent in Administrative overheads: Not Applicable

c. Amount spent on Impact Assessment, if applicable: Not Applicable

d. Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 15, 70,36,573

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
11,76,60,093 - FY 23-24 3,93,76,480 - FY 22-23 (unspent account)	5,63, 39, 907	26.04.2024	Not Applicable	Not Applicable	Not Applicable

Annexure I to Directors' Report (Contd)

f. Excess amount for set-off, if any: Not applicable

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

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY 2022-23	5,20,31,490/-	1,26,55,010 /-	3,93,76,480/-	-	-	NIL	-
2	FY 2021-22	3,03,00,000/-	Nil	-	-	-	-	-
3	FY 2020-21	-	-	-	-	-	-	-

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

No

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

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

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

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

The unspent amount was pertaining to the ongoing projects and the same would be required and utilised over the period of three years as stipulated under the Companies Act, 2013

Annexure I to Directors' Report (Contd)

Responsibility Statement of the CSR Committee:

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

For **IIFL Home Finance Limited**

R. Venkataraman
Director
DIN: 00011919
Place: Mumbai
Date: May 06, 2024

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai
Date: May 06, 2024

Annexure II(a) to Directors' Report

The details related to options granted under the Employee Stock Option Scheme as on March 31, 2024 is provided below:

S. No.	Particulars	Disclosure
1.	Options granted	2,42,563 (Granted till March 31, 2024)
2.	Options vested	0
3.	Options exercised	0
4.	The total number of shares arising as a result of exercise of option	0
5.	Options lapsed	3,935
6.	The exercise price	₹ 1,338
7.	Variation of terms of options	Time based and Performance based
8.	Money realized by exercise of options	0
9.	Total number of options in force	2,38,628
10.	Employee wise details of options granted to:-	
	(i) Key managerial personnel;	1) Mr. Monu Ratra (CEO & Whole-time Director)- 134411 2) Mr. Gaurav Seth (Chief Financial Officer) - 13441 3) Mr. Ajay Jaiswal (Company Secretary) - 5630
	(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	0
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	0

Annexure II(b) to Directors' Report

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

	Requirements	Disclosure	
1	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year.	Executive Chairman	NIL
		Executive Director & CEO	86.43%
		Non- Executive Director	
		Mr. S. Sridhar	7.14%#
		Mr. Kranti Sinha*	5.71%#
		Mr. Nirmal Jain	NIL
		Mr. R. Venkataraman	NIL
		Mr. Kabir Mathur	Nil
		Ms. Mohua Mukherjee	5.71%#
		Mr. Arun Kumar Purwar	Nil
		Mr. Venkataramanan Anantharaman	5.71%
		Mr. Mathew Jospeh	5.71%
2	The percentage increase in remuneration of each director, CFO, CEO and CS in the financial year.	Executive Chairman	NIL
		Executive Director & CEO	10%
		Non- Executive Director	
		Mr. S. Sridhar	NIL
		Mr. Kranti Sinha	NIL
		Mr. Nirmal Jain	NIL
		Mr. R. Venkataraman	NIL
		Ms. Mohua Mukherjee#	NIL
		Mr. Arun Kumar Purwar	NIL
		Mr. Venkataramanan Anantharaman*	NIL
		Mr. Kabir Mathur**	Nil
		KMPs other than Directors	
		Chief Financial Officer	8%
		Company Secretary	13%
3	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year increased by 8%. The calculation of the % increase in median remuneration is done based on comparable employees. Due to this, the employees who were not eligible for any increment have been excluded.	
4	The number of permanent employees on the rolls of the Company	The Company had 4706 employees on the rolls as on March 31, 2024.	
5	Average percentile increases already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for an increase in the managerial remuneration.	Not applicable to the Company as all the employees are under managerial roles.	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.	

- * Mr. Kranti Sinha resigned from the Board w.e.f. August 08, 2023 and Mr. Mathew Joseph appointed w.e.f. October 31, 2023.
- # The ratio of the remuneration of Mr. S. Sridhar, Mr. Kranti Sinha, Ms. Mohua Mukherjee, Mr. Venkataramanan Anantharaman and Mr. Mathew Joseph to the median remuneration of the employees for the financial year has been calculated on the basis of commission to be paid for the FY 2023-24.
- In above calculation of remuneration, Fixed CTC and performance bonus has been considered for presenting data on comparable basis for Mr. Monu Ratra Executive Director & CEO, Mr. Ajay Jaiswal, Company Secretary the remuneration is exclusive of the value of perquisites on ESOPs

For and on behalf of the Board of Directors

Monu Ratra	**R. Venkataraman**
Executive Director & CEO	Director
DIN: 07406284	DIN: 00011919
Place: Mumbai	Place: Mumbai

Date: May 06, 2024

Annexure III to Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remunerationof Managerial Personnel) Rules, 2014]

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

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

Based on our verification, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of compliances relating to Foreign Direct Investment. However, during the period under review, there were no transactions for Overseas Direct Investment and External Commercial Borrowings.

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

(a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review]**;

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

(c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review]**;

(d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[The Company has introduced Employee Stock Option Plan. However, being a Debt listed Company, the regulations are not applicable since the shares of the Company are not listed on any stock exchange]**;

(e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of the securities issued;

(g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review]**;

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **[Not applicable since the shares of the Company are not listed on any stock exchange during the period under review]**.

Annexure III to Directors' Report (Contd)

VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

1. The National Housing Bank Act, 1987.
2. Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021.
3. Guidelines on 'Know Your Customer' and 'Anti Money Laundering Measures' for HFCs.
4. The IRDAI (Registration of Corporate Agents) Regulations, 2015.

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

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

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India. However, the stricter applicability of the Secretarial Standards is to be observed by the Company.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to the extent applicable.
3. General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs to hold Extra-Ordinary General Meetings/ Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The following changes took place in the composition of the Board of Directors during the period which were carried out in compliance with the provisions of the Act/SEBI LODR, 2015 except as stated below.
- Adequate notices were given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all the directors except where the meetings were held at a shorter notice. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings of the Board and Committees of the Board, duly signed by the Chairman, all the decisions of the Board were adequately passed and no dissenting views have been recorded.

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

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

As per the records, the Company has filed returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities except for few discrepancies in filing of certain forms.

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

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

1. Mr. Kranti Sinha (DIN: 00001643) has stepped down from the Board as Independent Director of the Company with effect from August 8, 2023 and due to the same, composition of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee was affected for few days.
2. Mr. Mathew Joseph (DIN: 01033802) has been appointed as an Additional Director (Independent Director) on the Board of the Company with effect from October 31, 2023. Further, his appointment was confirmed by the Shareholders in an Extra Ordinary General Meeting ("EGM") held on January 30, 2024.
3. Mr. Srinivasan Sridhar (DIN: 00004272) and Mr. Arun Kumar Purwar (DIN: 00026383) have completed their respective tenure as Independent Directors on March 31, 2024. Further, Mr. Srinivasan Sridhar, is appointed as an Additional Director (Non-Executive Director) of the Company with effect from April 01, 2024.

Annexure III to Directors' Report (Contd)

4. Mr. Ramakrishnan Subramanian (DIN: 02192747) has been appointed as an Additional Director (Independent Director) by the Board of Directors with effect from April 01, 2024.
5. Mr. Gaurav Seth was appointed as Chief Financial Officer with effect from October 17, 2023 as his earlier incumbent Mr. Amit Gupta was re-designated as Head Finance of the Company on account of internal re-structuring in the senior management of the Company.
6. The Company has approved the appointment of M/s. S. R. Batliboi & Associates LLP (ICAI Firm Registration No. 101049W/ E300004) as one of the Joint Statutory Auditors to hold office for a period of 3 (three) years from Financial Year 2023-24 to Financial Year 2025-26 in an Annual General Meeting held on June 29, 2023 on account of completion of tenure of earlier incumbent.
7. The members of the Company had approved amendments in the IIFL- HFL ESOP PLAN-2022 (herein after referred as "ESOP Plan") by way of passing a Special Resolution in the Annual General Meeting held on June 29, 2023.
8. The Company has altered its Articles of Association by passing a Special Resolution in the Annual General Meeting held on June 29, 2023.
9. The Board of Directors have accorded their approval to raise funds and to offer, Secured /Unsecured/ Listed/ Unlisted/ Rated/ Unrated / Non-Convertible/ Market Linked/ Subordinated Debt/ Perpetual Debentures/ Fixed Maturity Debentures, aggregating to INR 5,000/- Crore (Indian Rupees Five Thousand Crores) on private placement basis during the financial year 2024-25, in one or more tranches.
10. The Board of Directors have accorded their approval for making investment in RMBS Development Company Limited (a "proposed new Company") up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores only) in one or more tranches.
11. The Company has allotted 32,000 (Thirty Two Thousand) Secured Redeemable Non-Convertible Debentures (SNCDs) of INR 1,00,000/- each (Indian Rupees One Lakh each) for cash at par aggregating to INR 320,00,00,000/- (Indian Rupees Three Hundred and Twenty Crore only) and 8,200 (Eighty Two Hundred) Secured Redeemable Non-Convertible Debentures (SNCDs) of INR 10,00,000/- each (Indian Rupees Ten Lakh each) for cash at par aggregating to INR 820,00,00,000/- (Indian Rupees Eight Hundred and Twenty Crore only) on private placement basis on May 23, 2023 and August 18, 2023 respectively.
12. The Company has declared an interim dividend @ INR 55/- per share on January 15, 2024 in compliance with the applicable provisions stated in the Act.

For **RMG & Associates**
Company Secretaries
Peer Review No. 734/2020
Firm Registration No. P2001DE016100

Place: New Delhi
Date: May 06, 2024
UDIN: F010098F000315161

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

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

Annexure III to Directors' Report (Contd)

Annexure

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

Our Secretarial Audit Report for the financial year ended March 31, 2024 is to be read along with this letter:

Management's Responsibility

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

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

7. We have conducted online verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For **RMG & Associates**
Company Secretaries
Peer Review No. 734/2020
Firm Registration No. P2001DE016100

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

Place: New Delhi
Date: May 06, 2024
UDIN: F010098F000315161

Annexure IV to Directors' Report

IIFL HOME FINANCE LIMITED

Related Party Transaction Policy

I. Objective

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

II. Guiding Act/Regulations/Rules

a) The Companies Act, 2013 and rules made there under

b) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulation") as amended from time to time

c) Ind AS - 24

III. Definitions

(i) "**Audit Committee**" or "**Committee**" means Committee of the Board of Directors of the Company constituted under the provisions of the Companies Act, 2013.

(ii) "**Board**" means the Board of Directors of the Company.

(iii) "**Control**" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(iv) "**Key Managerial Personnel**" means key managerial personnel as defined under the Companies Act, 2013

(v) "**Material Related Party Transaction**" mean transactions as defined under Regulation 23(1) and 23(1A) of Listing Regulations

(vi) "**Material Modification**" Material modification will mean and include any modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

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

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

(ix) '**Relative**' has the same meaning as described in the Companies Act, 2013, which is defined as follows:

Pursuant to Section 2(76) of the Companies Act, 2013 a "related party", with reference to a company, means-

(i) a director or his relative;

(ii) a key managerial personnel or his relative;

(iii) a firm, in which a director, manager or his relative is a partner;

(iv) a private company in which a director or manager is a member or director;

(v) a public company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;

(vi) any Body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

(vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

(viii) any company which is-

(A) a holding, subsidiary or an associate company of such company; or

(B) a subsidiary of a holding company to which it is also a subsidiary;

(ix) such other person as may be prescribed;

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

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

IV. Related Party Transactions (RPT): following shall mean related party transactions:

(a) "**Related Party Transactions**" or "**RPTs**" means transactions as given under Section 188 of the Companies Act, 2013 including Rules thereof and as defined in Regulation 2(1)(zc) of the Listing Regulations.

Annexure IV to Directors' Report (Contd)

(b) As per Section 177 of the Companies Act, 2013 and Rules framed thereunder the approval of Audit Committee is required for any transactions of the Company with Related Parties including any subsequent material modification thereof. Further, the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions, as may be required under the Companies Act, 2013 and Rules framed thereunder, Listing Regulation, RBI Directives and other applicable law.

Note: Any definition not mentioned above shall have the same meaning as defined under the Companies Act, 2013, Listing Regulations and applicable Accounting Standard.

V. COMPLIANCES/APPROVALS/PROCESSES WITH RESPECT TO RELATED PARTY TRANSACTIONS

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

A. Approval of the Audit Committee

1. All proposed related party transactions / arrangements or any modifications thereof, with the details of related party, nature of transaction, reason for undertaking the transaction, confirmation on arms length & in the ordinary course of business, duration of the transaction will be placed before the Audit Committee for prior approval.

   a. All proposed related party transactions / arrangements or any and subsequent material modifications thereof, with the details of related party, nature of transaction, reason for undertaking the transaction, confirmation on arm's length & in the ordinary course of business, duration of the transaction will be placed before the Audit Committee for prior approval.

   However, the Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the company subject to the following conditions:

   i. The Audit Committee lays down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the company and such approval shall be applicable in respect of transactions which are repetitive in nature.

   ii. while granting omnibus approval, the Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the company;

   iii. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;

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

   iv. Audit Committee shall review, atleast on a quarterly basis, the details of RPTs entered into by the company pursuant to each of the omnibus approval given.

   v. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

   b. Related Party Transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the listed entity;

   c. With effect from April 1, 2023, Related Party Transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the standalone turnover, as per the last audited financial statements of the subsidiary company;

Annexure IV to Directors' Report (Contd)

   d. However, prior approval of the Audit Committee of the Company shall not be required for a Related Party Transaction to the subsidiary of the Company is itself listed entity, to which the provisions of Regulation 23, 15(2) and other specified provisions of Listing Regulations are applicable.

   However Related Party Transaction of unlisted subsidiary of a listed subsidiary, prior approval of the Audit Committee of the listed subsidiary shall suffice.

   e. All subsequent Material Modification(s) to Related Party Transaction(s) to which the subsidiary of the Company is a party but the Company is not a party, unless such transaction is 'exempt' under Listing Regulations, shall be placed before the Audit Committee of the Company for prior approval.

B. Approval of the Board

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

C. Approval of Shareholders

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

ii. Further, all Material Related Party Transaction(s) and subsequent Material Modification(s), to which the subsidiary of the Company is a party but the Company is not a party, unless such transaction is exempt under Listing Regulations, shall require prior approval of the shareholders of the Company

   Provided that if such subsidiary of the Company is itself a Listed Entity to which the provisions of Regulation 23, 15(2) and other specified provisions of Listing Regulations are applicable, then such Material Related Party Transaction(s) and subsequent Material Modification(s) need not be placed before the shareholders of the Company prior approval of shareholders of such Listed Subsidiary shall suffice.

D. Materiality Threshold

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

E. Review of RPTs by Audit Committee

Review of transactions with related parties pursuant to Indian Accounting Standard – 24, on quarterly basis.

F. Disclosure

i. Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.

ii. The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.

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

VI. CRITERIA/DOCUMENTS/PROCESS FOR ALL TRANSACTIONS WITH RELATED PARTIES

a) For all the transactions, due documentation by way of contract/agreement/bills/invoices/ should be in place.

b) All the related party transactions shall be subject to the applicability, limits, enablement and other conditions as prescribed under the applicable Acts, Rules, Regulations and circulars and guidelines of Regulatory authorities including RBI, NHB, SEBI, MCA, Income Tax, etc.

c) In case of infrastructure and common sharing arrangement, the terms of arrangement including the nature and quality of services, consideration and other terms and conditions shall be as comparable with the terms if availed from the market/third parties.

d) In case of purchase/ sale of fixed assets or other assets, the same shall be at market prices or per the valuer certificate.

e) Related Party Transaction shall be approved after assessing all material terms and conditions of the transaction and ensure that the terms are comparable

Annexure IV to Directors' Report (Contd)

with the market rates/practices at the particular point of time and on arms length basis. The following information will be taken into account when assessing Related Party Transaction:

a. The terms of such transaction;

b. The Related Person's interest in the transaction;

c. The purpose and timing of the transaction;

d. the nature of the Company's participation in the transaction;

e. If the transaction involves the sale of an asset, a description of the asset, including date acquired and costs basis;

f. Information concerning potential counterparties in the transaction;

g. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction and

h. Any other relevant information regarding the transaction.

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

Any other regulatory changes in this regard will stand updated in the policy from time to time.

Annexure V to Directors' Report

Report on Corporate Governance

Company's Philosophy on Code of Governance

IIFL Home Finance Limited puts a strong emphasis on corporate governance and ethically sound practices that build trust and transparency between our business and all stakeholders. We regard our stakeholders as invaluable partners in our journey and work to ensure their wellbeing, regardless of market or economic fluctuations. Our dedication to transparency and providing timely, precise data regarding our management and organizational structure has enhanced our reputation both domestically and abroad. This has enabled us to draw in the best people and resources to make our objectives, both short and long-term, into a workable business plan.

The Board of Directors (the "Board") is instrumental in developing the long-term vision and policy of our organisation to ensure the highest quality in governance and operations. We have a clear guideline and framework in place to guide decision-making and management practices, in order to become the leader in our industry and beyond. Your Company has an experienced and well informed Board that oversee the Company's corporate governance and ensures the Company meets its fiduciary responsibilities to its stakeholders. Best practices are followed to ensure sustainable, ethical leadership and good corporate citizenship. Your Company places a strong emphasis on corporate governance, cultivating sustainable growth from the top down, which is reflected in its sound financial system and strong market reputation. The Board strongly emphasizes on forming a talent base from around the nation, adhering to ethical business practices and ensuring that all of our actions are in line with protecting the environment through green technologies and practices.

Over the years, your Company has complied with the Companies Act, 2013 (the "Act"), SEBI Regulations, NHB Directions/ Circulars, IND-AS (Indian Accounting Standards), Secretarial Standards, etc., Strong governance practices have rewarded the Company in the sphere of valuations, stakeholders confidence, market capitalization and good credit ratings in positive context apart from receiving of awards from appropriate authorities. Your Company makes all efforts to comply with such standards. Your Company firmly believes that Corporate Governance is an ever-evolving journey, rather than a mere destination. This is an ongoing process, as your Company continues to strive for excellence in creating sustainable value. Your Company's efforts in this regard are reflected in this Report, where the Company has outlined multiple initiatives to sustain the highest standards of governance.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

1) Board of Directors

Composition of the Board of Directors

The Company has an adequate mix of Board with a majority of Independent Directors (including one woman as an Independent Director) in line with the provisions of the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time-to-time. The Board provides leadership, strategic guidance and discharges its fiduciary duties by safeguarding the interests of the Company and its stakeholders.

As on March 31, 2024, the Board of the Company consisted of nine directors. The Chairman of the Board is a Non-Executive Independent Director and majority of the Board comprises Non-Executive and Independent Directors. None of the Directors of the Company are related to each other. The composition of the Board is as follows:

Category	Name of Director
Independent Director	Mr. Srinivasan Sridhar
	Mr. Arun Kumar Purwar
	Ms. Mohua Mukherjee
	Mr. Mathew Joseph*
	Mr. Venkataramanan Anantharaman
Non-Executive other than Independent Director	Mr. Nirmal Jain
	Mr. Rajamani Venkataraman
Nominee Director	Mr. Kabir Mathur**
Executive Director & CEO	Mr. Monu Ratra

* Mr. Mathew Joseph was appointed as an Independent Director of the Company with effect from October 31, 2023.

** Mr. Kabir Mathur was appointed as Nominee Director on behalf of Platinum Owl C 2018 RSC Limited (wholly owned subsidiary of Abu Dhabi Investment Authority) on August 22, 2022.

Note:

- Mr. Kranti Sinha, Independent Director of the Company resigned with effect from August 08, 2023 due to some personal reasons and there is no other material reason for his resignation.
- The tenure of Mr. Srinivasan Sridhar Independent Director on the Board was expired on March 31, 2024 w.e.f. close of the business hours. Considering ongoing participation and on the recommendation of Nomination & Remuneration Committee, Mr. S. Sridhar was re-appointed as Non-Executive Director on the Board of the Company w.e.f. April 01, 2024.
- The tenure of Mr. A K Purwar, independent Director stands expired on March 31, 2024 from close of business hours due to completion of tenure of Mr. Purwar as an Independent Director on the Board of IIFL Finance Limited, Holding Company. Your Board took on record the invaluable contribution of Mr. Purwar to the growth of the Company.
- Mr. Ramakrishnan Subramanian appointed as Additional Director (Independent) of the Company with effect from April 01, 2024

Annexure V to Directors' Report (Contd)

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

The Board comprises talented and dedicated directors with a diverse mix of expertise, experience, skills, and backgrounds. For the purpose of Board composition, diversity includes, but is not limited to, educational and functional background, industry experience, geography, age, insider status, gender, and ethnicity. The skills and backgrounds collectively represented on the Board reflect the diverse nature of the business environment in which the Company operates.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a matrix chart setting out the core skills, expertise, and competence of the Board is mentioned below:

Sl. No.	Skills/expertise/ competence	Mr. S. Sridhar	Mr. Arun Kumar Purwar	Ms. Mohua Mukherjee	Mr. Nirmal Jain	Mr. R Venkataraman	Mr. Monu Ratra	Mr. Kabir Mathur	Mr. Venkataramanan Anantharaman	Mr. Mathew Joseph**
1	Knowledge of Sector	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Accounting and Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Corporate Governance & Compliances	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Marketing Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Strategy Development and Implementation	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Information Technology	✓	✓	✓	✓	✓	✓	✓	-	✓
7	Stakeholders Relationship	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Risk Management System	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	CEO / Senior Management Experience / Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓

Brief profile of Directors is as follows.

Mr. Srinivasan Sridhar is an eminent personality in the Banking and Finance industry and has held several senior positions in retail, corporate and export/import banking in his career of almost 4 decades culminating as the Chairman of NHB and the Central Bank of India. In his stint as Chairman and Managing Director of the NHB, he was responsible for a number of new initiatives such as the NHB Residex, Rural Housing Fund, and Reverse Mortgage for senior citizens. Prior to this, he was associated with the Export Import Bank of India as Executive Director as well as the State Bank of India in the early part of his career. He holds directorship in 12 Companies including IIFL Home Finance Limited.

	Name of Company	Category of Directorship
List of Directorship in other listed Company	Go Fashion (India) Limited	Independent Director and Chairman
	Strides Pharma Science Limited	Independent Director
	Jubilant Pharmova Limited	Independent Director
	Shriram Finance Limited	Independent Director

Annexure V to Directors' Report (Contd)

Mr. Arun Kumar Purwar works as Chairman of Eroute Technologies Private Limited, a fintech Company as well as in Jindal Panther Cement Limited. He also works as an Independent Director in Companies across diverse sectors like power, telecom, steel, engineering consultancy, pharma and financial services. He also acts as an advisor to Mizuho Securities, Japan. He was Chairman of the State Bank of India ("SBI") from 2002 to 2006 and Chairman of the Indian Bank Association from 2005 to 2006. He has previously held positions such as Managing Director of State Bank of Patiala and was associated with the setting up of SBI Life. After his retirement from SBI, he was associated with a leading industry house in setting up the first healthcare focused private equity fund as well as a non-banking finance company focused on funding real estate projects as well as educational institutions. He has won a number of awards including the CEO of the year award from the Institute of Technology and Management (2004), "Outstanding Achiever of the Year" award from the Indian Banks Association (2004) and "Finance Man of the Year" Award by the Bombay Management Association in 2006.

	Name of Company	Category of Directorship
List of Directorship in other listed Company	IIFL Finance Limited	Independent Director and Chairman
	Balaji Telefilms Limited	Independent Director
	Alkem Laboratories Limited	Independent Director

Ms. Mohua Mukherjee is a seasoned development economics professional with thirty years of international experience. She was among the youngest candidates ever selected for the globally competitive Young Professionals Program of the World Bank in Washington DC. Her career at the World Bank included responsibility for designing and supervising World Bank investment projects, based on dialogue with Ministers and senior government officials in client countries. Mohua has led policy dialogue and formulated investment projects in 9 different sectors of the economy, in 44 countries on 4 continents, all pertaining to the UN's Millennium Development Goals and later the Sustainable Development Goals. She is an experienced leader of multi-disciplinary teams and has received various awards of appreciation from government clients for her consultative approach. She headed the Corporate Finance department first at Citibank and then at ABN AMRO Bank Nairobi, Kenya. Apart from this hands-on financial sector experience in Kenya, Mohua also has energy sector investment experience in 15 African countries, plus Nepal and Bangladesh and of course India as well. From 2014-2017, Mohua led the India Solar Energy Team of the World Bank, and she was responsible for managing a large team of professionals to complete the delivery of a US$1 billion solar program to the government of India. The US$640 million blended-finance Solar Rooftops project with the State Bank of India, which she designed from the start, brought the OPEX model to the Indian solar rooftop market. Apart from the solar energy sector, Mohua also has a great deal of experience in the Indian electricity distribution company sector. She has contributed to various World Bank publications and also has three solo-authored books, with the most recent one being (in 2014) on private participation in the Indian power sector. In 2017 she ended her long career in Washington and moved to Bangalore for family reasons. Following her relocation to India, Mohua worked pro-bono for 2 years at the International Solar Alliance, to support its initial establishment. She is currently a World Bank consultant and she is Advisor to the India Smart Grid Forum. Mohua has a Bachelor's and Master's Degree in Economics, with distinction, and a Master of Business Administration degree in International Finance, all from Boston University. She also has a certificate in Public Private Partnerships from the Harvard Kennedy School. She holds directorship in 2 Companies including IIFL Home Finance Limited.

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

Mr. Nirmal Jain is a MBA from IIM, Ahmedabad, a rank holder Chartered Accountant and a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited (HUL), the Indian arm of Unilever. He founded Probity Research and Services (later re-christened as India Infoline Limited) in 1995, one of the first independent equity research companies in India. Under his leadership, IIFL Group has grown into a dominant and diversified player in the financial services space. He holds directorship in 5 Companies including IIFL Home Finance Limited.

	Name of Company	Category of Directorship
List of Directorship in other listed Company	IIFL Finance Limited	Executive Director and Managing Director
	360 ONE WAM Limited (Erstwhile IIFL Wealth Management Limited)	Non-Executive Director

Mr. Rajamani Venkataraman is a non-executive Director of our Company and is one of the Non-Executive Directors of our Company. He is a B.Tech in electronics and electrical communications engineering from IIT, Kharagpur and holds a Post Graduate Diploma in Management from IIM, Bangalore. He has more than 20 years in the financial

Annexure V to Directors' Report (Contd)

services sector. He is the Co-Promoter and an Executive Director of our Promoter India Infoline Limited. Prior to joining the India Infoline Board in July 1999, he held senior managerial positions in ICICI Limited, ICICI Securities Limited, BZW and Taib Capital Corporation Limited. He holds directorship in 6 Companies including IIFL Home Finance Limited.

	Name of Company	Category of Directorship
List of Directorship in other listed Company	IIFL Finance Limited	Executive Director and Joint Managing Director
	360 ONE WAM Limited (Erstwhile IIFL Wealth Management Limited)	Non-Executive Director
	IIFL Securities Limited	Chairman and Managing Director

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

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

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

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

Mr. Mathew Joseph has over 35 years experience with India's Largest Housing Finance Company and superannuated as Member of Executive Management and Chief Risk Officer. Apart from overseeing Risk, his expertise included both Retail and wholesale Financing and was a Member of Core Committees of the Corporation. During his tenure with the Corporation, he led World Bank / IFC assignment's for supporting and establishing Housing Finance Institutions in Africa and Asia. He holds a bachelor's degree in science from the Madras University and is a Member of the Institute of Chartered Accountants. He is a Director on the Boards of Tamil Nadu Urban Infrastructure Financial Services Ltd, Tamil Nadu Urban Infrastructure Trustee Co Ltd, Veritas Finance Private Ltd and a Consultant with World Bank for their Affordable Housing Fund. He is also an advisor on Lok Capital, an Impact Fund. He holds directorship in 4 Companies including IIFL Home Finance Limited.

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

Mr. Monu Ratra is a veteran in the mortgages industry with nearly two decades of experience. Mr. Ratra has been associated with brands like HDFC Ltd., ICICI Bank and India bulls Housing. Prior to joining IIFL Home Finance Limited, his last assignment was with India bulls HFC as National Business Manager. Mr. Ratra has been a part of the pioneering teams leading various functions to provide excellence through process and quality initiatives, contributing to industry-leading growth. While with the last company, his efforts and vision led to the building of a growth sales structure, starting from scratch, in a start up like environment. At IIFL Home Loans, Mr. Ratra brings strong focus on developing and delivering customer satisfaction with ease and low turnaround time. He holds directorship in 1 Company i.e., IIFL Home Finance Limited.

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

Annexure V to Directors' Report (Contd)

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

During the year under review, six (06) Board Meetings were held on the following dates: April 24, 2023, July 25, 2023, October 17, 2023, January 15, 2024, March 16, 2024 and March 28, 2024. As mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof, none of the Directors on the Board of the Company is a member of more than ten (10) specified Committees and none is a Chairman of more than five (5) specified Committees in which they are Directors across all the Public Limited Companies whether listed or not except private limited companies, foreign companies, high value debt listed entities and Companies incorporated under Section 8 of the Companies Act, 2013. None of the Independent Directors serves as an Independent Director in more than seven (7) listed entities (Equity Listed). None of the Directors holds directorship in more than seven (7) listed entities (Equity Listed). None of the Whole Time Director/Managing Director serves as an Independent Director in more than three (3) listed entities (Equity Listed). Further none of our Independent Directors serve as Non-Independent Director on the Board of any Company, of which any Non-Independent Director is an Independent Director on the Board of our Company. None of the directors are inter-se related. Also, there are no material significant related party transactions made by the company with its Directors, Key Managerial Personnel or other Designated persons and their relatives which may have potential conflict with the interest of the company at large.

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

Name of the Director (DIN)	Date of original appointment	Category	Number of Board meetings entitled to attend	Number of Board meetings	Attendance at last AGM	Directorships in Listed Companies (including IIFL Home Finance Limited)	Membership of Committees (including IIFL Home Finance Limited)	
							Member	Chairman
Mr. Srinivasan Sridhar (DIN: 00004272)	October 01, 2013	Chairman and Independent Director	6	6	Yes	5	7	5
Mr. Kranti Sinha* (DIN: 00001643)	October 01, 2013	Independent Director	2	2	Yes	NA	NA	NA
Mr. Arun Kumar Purwar (DIN: 00026383)	August 22, 2019	Independent Director	6	6	Yes	4	3	2
Ms. Mohua Mukherjee (DIN: 08714909)	August 26, 2021	Independent Director	6	6	Yes	1	1	1
Mr. Nirmal Jain (DIN:00010535)	December 26, 2006	Non-Executive Director	6	6	No	3	0	0
Mr. Rajamani Venkataraman (DIN: 00011919)	December 26, 2006	Non-Executive Director	6	6	Yes	4	3	1
Mr. Monu Ratra (DIN: 07406284)	January 28, 2016	Executive Director & CEO	6	6	Yes	1	1	0
Mr. Kabir Mathur (DIN: 08635072)	August 22, 2022	Nominee Director	6	3	No	2	1	0

Annexure V to Directors' Report (Contd)

Name of the Director (DIN)	Date of original appointment	Category	Number of Board meetings entitled to attend	Number of Board meetings	Attendance at last AGM	Directorships in Listed Companies (including IIFL Home Finance Limited)	Membership of Committees (including IIFL Home Finance Limited)	
							Member	Chairman
Mr. Venkataramanan Anantharaman (DIN: 01223191)	February 21, 2023	Independent Director	6	6	Yes	2	5	2
Mr. Mathew Joseph** (DIN: 01033802)	October 31, 2023	Independent Director	3	3	NA	1	0	0

*Mr. Kranti Sinha, Independent Director of the Company resigned with effect from August 08, 2023 due to some personal reason.

** Mr. Mathew Joseph was appointed as an Independent Director of the Company with effect from October 31, 2023.

1. The Committees considered for the above purpose are those prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. the Audit Committee and Stakeholders Relationship Committee.
2. The membership count also includes the count in which the Director is Chairman.

4) Board Level Performance Evaluation

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

The criteria for performance evaluation are as follows:

For Chairperson

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

For Executive Directors

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

For Non-Executive Directors (including Independent Directors)

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

For Board as a Whole

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

5) Separate Meetings of the Independent Directors

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company was held on March 26, 2024, inter alia, to review the following:

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

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

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

Familiarization Programme for Independent Directors

In accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid out a Familiarization Programme for Independent Directors to familiarize them with the workings of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates and its business model, among others. Further, the Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings on business, operations and performance updates of the Company. Quarterly updates on relevant statutory and regulatory changes applicable to the Company are discussed at the Board meetings. The details of such familiarization programmes of the Company may be accessed on the website of the Company i.e. https://www.iiflhomeloans.com/corporate-governance.

Meetings of the Board of Directors

- Frequency: The Board meets at least once a quarter to review the quarterly results and other items on the Agenda. There are a minimum of four meetings of Board in a calendar year, with a maximum gap of 120 days between two consecutive meetings. Whenever necessary, additional meetings are held. In cases of business exigencies or matters of urgency, resolutions are passed by circulation, as permitted by law, and are noted in the subsequent Board Meeting.
- Board Meeting Location: The location of the Board/ Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board / Committee Meetings. A video conference facility is made available to facilitate Directors travelling / residing abroad or at other locations to participate in the Board / Committee Meetings. The Ministry of Corporate Affairs (MCA) has granted relaxation with regard to the requirement of the physical presence of the Directors at the Board meeting and therefore few Board meetings were held through video conferencing or other audio-visual means.
- Notice and Agenda Distributed in Advance: The Company's Board/Committee members are presented with detailed notes along with the agenda papers, which are circulated well in advance of the Meeting. The Company has implemented an App based e-Meeting system accessible through secured iPads provided to the Directors and key officials. The agenda, presentation, notes and minutes are made available to the Board and Committee Members.
- The Company Secretary in consultation with the Chairperson of the Board/Committees sets the Agenda for the Board/Committee Meetings. All material information is incorporated in the Agenda to facilitate meaningful and focused discussions at the Meeting. Wherever it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.
- Other Matters: The senior management team of the Company is advised to schedule its work plans in advance, particularly with regard to matters requiring discussions / decision with the Board / Committee Members.
- Presentations by the Management: The Board/ Committee is given presentations, wherever practicable covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy, risk management practices and operating performance before taking on record the financial results of the Company.
- Access to Employees: The Directors are provided free access to officers and employees of the Company. Whenever any need arises, the Board/Committee Members are at liberty to summon personnel whose presence and expertise would help the Board to have a full understanding of the issues being considered.

Information Supplied to the Board/Committees

Among others, information supplied to the Board / Committees includes:

Business plan and updates thereof, quarterly, half yearly and annual results of the Company as per the format prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Minutes of the Meetings of the Board and all other Committees of the Board

Annexure V to Directors' Report (Contd)

- Information on the recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of the Chief Financial Officer and Company Secretary
- Show cause, demand, prosecution notices, and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, or any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, if any
- Any issue, that involves possible public or product liability claims of substantial nature, including any judgement or order, that may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property, if any
- Any significant development on human resources / industrial relations front, as and when it occurs
- Sale of material nature of investments and assets that are not in the normal course of business Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer, if any, and others steps taken by the Company to rectify instances of non-compliance, if any

Minutes of the Meetings

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

Post Meeting Follow-up Mechanism

The Company has an effective post-meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board/Committee(s) Meetings that calls for actions to be taken are promptly initiated and wherever required, communicated to the concerned departments/divisions. The action taken report is placed at the immediately succeeding Meeting of the Board/Committee(s) for information and review by the Board / Committee(s).

Confirmation of Independence

The Board is of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the Management.

Board Committees

In terms of the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI Master Directions, the Board of Directors has constituted various Committees. The composition of the various Committees along with their Terms of Reference is as follows:

Audit Committee

In terms of the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board constituted the Audit Committee.

The composition of the Audit Committee as on March 31, 2024 is as follows:

1. Mr. Srinivasan Sridhar - Chairman
2. Mr. Kabir Mathur – Member
3. Mr. Venkataramanan Anantharaman – Member
4. Mr. Rajamani Venkataraman - Permanent Invitee

During the year under review, the Audit Committee met five times i.e., on April 24, 2023, July 25, 2023, October 17, 2023, January 15, 2024 and March 28, 2024.

Details of the number of the meetings held and attended by the members of the Committee during the financial year 2023-24 are summarized below:

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Mr. Srinivasan Sridhar	Independent Director	5	5
Mr. Kranti Sinha*	Independent Director	2	2
Mr. Kabir Mathur	Nominee Director	5	3
Mr. Venkataramanan Anantharaman**	Independent Director	3	3
Mr. Rajamani Venkataraman	Non-Executive Director	5	5

*Mr. Kranti Sinha ceased to be a member of the Audit Committee with effect from August 08, 2023.

**Mr. Venkataramanan Anantharaman, Independent Director, inducted to the Audit Committee with effect from September 06, 2023.

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

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on June 29, 2023.

During the year, there were no instances where the Board did not accept the recommendations of the Audit Committee.

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

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

ii. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

v. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

vii. review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii. approval or any subsequent modification of transactions of the Company with related parties;

ix. scrutiny of inter-corporate loans and investments;

x. valuation of undertakings or assets of the listed entity, wherever it is necessary;

xi. evaluation of internal financial controls and risk management systems;

xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. discussion with internal auditors of any significant findings and follow up thereon;

xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Annexure V to Directors' Report (Contd)

xvii. to look into the reasons for substantial defaults in the payment debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. to review the functioning of the whistle blower mechanism;

xix. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

xx. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

xxi. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders, if any.

xxii. management discussion and analysis of financial condition and results of operations;

xxiii. management letters / letters of internal control weaknesses issued by the statutory auditors;

xxiv. internal audit reports relating to internal control weaknesses;

xxv. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

xxvi. statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 52 of (Listing Obligation and Disclosure Requirements) Regulations, 2015.

xxvii. ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced. The Information System Audit as prescribed shall be carried out separately through a Certified Information System Auditor (CISA).

xxviii. The Audit Committee have such powers and it performs such functions as may be required under the Companies Act, 2013 and such other applicable Regulations as may be notified by Securities and Exchange Board of India, National Housing Bank/Reserve Bank of India and other regulators from time to time.

Nomination and Remuneration Committee

In terms of the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board constituted a Nomination and Remuneration Committee.

The composition of the Nomination & Remuneration Committee as on March 31, 2024 is as follows:

1. Mr. Venkataramanan Anantharaman - Chairman
2. Mr. Srinivasan Sridhar – Member
3. Mr. Kabir Mathur – Member
4. Mr. Rajamani Venkataraman - Permanent Invitee

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

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

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

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

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

c. consider the time commitments of the candidates.

ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;

iii. devising a policy on diversity of board of directors;

iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

Annexure V to Directors' Report (Contd)

v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

vi. recommend to the board, all remuneration, in whatever form, payable to senior management.

vii. recommend a policy to the Board, relating to the remuneration for the directors, key managerial personnel and other employees.

viii. ensure that compensation levels are supported by the need to retain earnings of the company and the need to maintain adequate capital based on ICAAP.

ix. ensure 'fit and proper' status of proposed/existing directors and that there is no conflict of interest in appointment of directors on Board of the company, KMPs and senior management

x. The Nomination and Remuneration Committee have such powers and it performs such functions as may be required under the Companies Act, 2013 and such other applicable Regulations as may be notified by Securities and Exchange Board of India, National Housing Bank/Reserve Bank of India and other regulators from time-to-time.

During the year under review, the Nomination and Remuneration Committee met five times i.e., on April 24, 2023, April 28, 2023, June 15, 2023, August 07, 2023 and October 09, 2023.

Details of the number of meetings held and attended by the members of the Committee during the FY 2023-24 are summarized below:

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Mr. Venkataramanan Anantharaman**	Independent Director	1	1
Mr. Srinivasan Sridhar	Independent Director	5	5
Mr. Kranti Sinha*	Independent Director	4	4
Mr. Kabir Mathur	Nominee Director	5	3
Mr. Rajamani Venkataraman	Non – Executive Director	5	2

*Mr. Kranti Sinha ceased to be a member and chairman of the Nomination and Remuneration Committee with effect from August 08, 2023.

**Mr. Venkataramanan Anantharaman, Independent Director inducted into the Nomination and Remuneration Committee as chairman with effect from September 06, 2023.

Stakeholders Relationship Committee

In terms of the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and rules made thereunder and in line with other regulatory provisions as may be applicable, the Board has constituted a Stakeholders Relationship Committee.

The composition of the Stakeholders Relationship Committee as on March 31, 2024 is as follows:

1. Ms. Mohua Mukherjee - Chairman
2. Mr. Venkataraman Rajamani – Member
3. Mr. Monu Ratra – Member

Grievances relating to Stakeholders/Investors may also be forwarded to the Company Secretary & Compliance Officer of the Company at secretarialhfc@iiflhomeloans.com. Mr. Ajay Jaiswal has been designated as Company Secretary & Compliance Officer in this regard.

The terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii. Review of measures taken for effective exercise of voting rights by shareholders

iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends/interest and ensuring timely receipt of dividend/interest warrants/annual reports/ statutory notices by the shareholders of the company.

During the year under review, the Stakeholders Relationship Committee met once on January 22, 2024.

Details of the number of meetings held and attended by the members of the Committee during FY 2023-24 are summarised below:

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Mr. Kranti Sinha*	Independent Director	0	0
Ms. Mohua Mukherjee**	Independent Director	1	1

Annexure V to Directors' Report (Contd)

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Mr. Venkataraman Rajamani	Non-Executive Director	1	0
Mr. Monu Ratra	Executive Director & CEO	1	1

*Mr. Kranti Sinha ceased to be a member and chairman of the Stakeholders Relationship Committee with effect from August 08, 2023.

**Ms. Mohua Mukherjee, Non- Executive & Independent Director inducted to the Stakeholders Relationship Committee as chairperson with effect from September 06, 2023.

The Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on June 29, 2023.

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

During the year 2023-24, the Company received 01 complaints from Non-Convertible Debenture holders (investors) including complaints received through SEBI's SCORES portal. The complaints were redressed to the satisfaction of the investors / debenture holders.

The details of the complaints are given below:

Sr. No.	Particulars	No. of Complaints
1	Investor complaints pending at the beginning of the year	-
2	Investor complaints received during the year	1
3	Investor complaints disposed off during the year	1
4	Investor complaints remaining unresolved at the end of the year	-
5	Investor complaints not solved to the satisfaction of the security holders	-

Corporate Social Responsibility (CSR) Committee

In terms of the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder, the Board has constituted a CSR Committee.

The composition of the Corporate Social Responsibility Committee as on March 31, 2024 is as follows:

1. Ms. Mohua Mukherjee - Chairman
2. Mr. Venkataraman Rajamani – Member
3. Mr. Monu Ratra – Member

The terms of reference of the CSR Committee is governed by the provisions of Section 135 of the Companies Act, 2013 read with the applicable rules and such modification or amendments as made thereto from time-to-time.

The terms of reference of the CSR Committee, inter alia, include the following:

a. Consider any matters relating to the social, charitable, community and educational activities, expenditures and related publications of the Company and its subsidiary companies that it determines to be desirable. In addition, the CSR Committee shall examine any other matters referred to it by the Board

b. Maintain the Company's CSR policy framework (e.g. environment, human rights and responsible business conduct) in line with best practice and the appropriate international standards and guidelines

c. Receive reports and review activities from executive and specialist groups managing CSR matters across the Company's operations; and consider and propose an annual budget for CSR activities to the Board.

During the year under review, the CSR Committee met thrice on August 03, 2023, March 21, 2024 and March 22, 2024.

Details of number of the meetings held and attended by the members of the Committee during the FY 2023-24 are summarised below:

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Ms. Mohua Mukherjee**	Independent Director	3	3
Mr. Kranti Sinha*	Independent Director	1	1
Mr. Monu Ratra	Executive Director & CEO	3	3
Mr. Rajamani Venkataraman	Non-Executive Director	3	1

*Mr. Kranti Sinha ceased to be member of CSR Committee with effect from August 08, 2023.

**Ms. Mohua Mukherjee, Independent Director was appointed as Chairperson of CSR Committee with effect from September 06, 2023.

Risk Management Committee

The Board of Directors constituted Risk Management Committee comprising of Directors and senior officials of the Company in line with the provisions of RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 read with Regulation 21 of SEBI (LODR) Regulations, 2015.

Annexure V to Directors' Report (Contd)

The composition of the Risk Management Committee as on March 31, 2024 is as follows:

1. Mr. Mathew Joseph – Chairman
2. Mr. Monu Ratra – Member
3. Mr. Srinivasan Sridhar - Member
4. Ms. Mohua Mukherjee – Member
5. Mr. Kabir Mathur – Member
6. Mr. Rajamani Venkataraman - Member
7. Ms. Abhishikta Munjal – Member
8. Mr. Govind Modani – Member
9. Mr. Gaurav Seth - Member

The terms of reference of the Risk Management Committee are in line with guidelines prescribed by NHB/RBI and SEBI which, *inter alia*, includes the following:

a. To identify the various types of risks involved in the business, both financial and non financial risk, internal and external, operational, sustainability and ESG related risk

b. To define the methodology to measure / quantify the risks

c. To control and mitigate the variety of risks involved in business

d. To specify the risk tolerance of the Company

e. To ensure regulatory and statutory compliance with risk management and prudential norms,

f. To improve the asset quality of the Company by using risk management tools

g. To maximise the profit of the Company,

h. To maximise the return on equity with an acceptable level of risk, for the purpose of protecting, preserving and increasing the net worth of the Company

i. To ensure business continuity and to avoid accidents and disasters. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company

j. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken

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

l. Periodically review the Risk Management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity

m. To strengthen internal control and prevent unauthorised and improper access to data, thereby ensuring the appropriate protection of information assets i.e. risk related to cyber security

n. To monitor and oversee implementation of the Risk Management policy, including evaluating the adequacy of risk management systems.

o. Records regarding to Monitor and Control of Outsourced Activities shall be updated promptly and half yearly reviews shall be placed before Risk Management Committee and further to the Board.

p. To formulate/ review a detailed risk management policy which shall include:

    i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

    iii. Business continuity plan.

During the year under review, the Committee met four times on May 25, 2023, August 11, 2023, December 08, 2023 and February 12, 2024.

Annexure V to Directors' Report (Contd)

Details of the number of the meetings held and attended by the members of the Committee during the FY 2023-24 are summarized below:

Name	Category	No. of meetings entitled to attend	No. of Meetings attended
Mr. Kranti Sinha*	Independent Director	1	1
Mr. Mathew Joseph**	Independent Director	1	1
Mr. Monu Ratra***	Executive Director & CEO	4	4
Mr. Srinivasan Sridhar	Independent Director	4	4
Ms. Mohua Mukherjee	Independent Director	4	4
Mr. Kabir Mathur	Nominee Director	4	0
Mr. Rajamani Venkataraman	Non – Executive Director	4	3
Ms. Abhishikta Munjal	Chief Risk Officer	4	4
Mr. Govind Modani	Treasury Head	4	1
Mr. Gaurav Seth****	Chief Financial Officer	1	1

*Mr. Kranti Sinha ceased to be member of Risk Management Committee with effect from August 08, 2023.

**Mr. Mathew Joseph, Independent Director was inducted to the Risk Management Committee and appointed as Chairman of Risk Management Committee with effect from January 15, 2024.

***Mr. Monu Ratra ceased to be Chairman of Risk Management Committee with effect from January 15, 2024.

****Mr. Gaurav Seth was inducted to the Risk Management Committee with effect from January 15, 2024.

Asset Liability Management Committee (ALCO)

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 read with the Liquidity Risk Management Framework issued by RBI (*earlier under Policy Circular No. NHB/ND/DRS/Pol-No. 35/2010-11 dated October 11, 2010*), the Board of Directors constituted the Asset Liability Committee (ALCO).

The composition of the ALCO Committee as on March 31, 2024 is as follows:

1. Mr. Monu Ratra – Chairman
2. Mr. Srinivasan Sridhar - Member
3. Mr. Kabir Mathur – Member
4. Mr. Rajamani Venkataraman - Member
5. Ms. Abhishikta Munjal – Member
6. Mr. Mohit Kumar - Member
7. Mr. Govind Modani – Member
8. Mr. Gaurav Seth - Member

During the year under review, the Committee met four times on May 23, 2023, August 11, 2023, December 08, 2023 and February 12, 2024.

Details of the number of the meetings held and attended by the members of the ALCO during the financial year 2023-24 are summarised below:

Name	Category	No. of meetings entitled to attend	No. of Meetings Attended
Mr. Monu Ratra	Executive Director & CEO	4	4
Mr. Kabir Mathur	Nominee Director	4	0
Mr. Srinivasan Sridhar	Independent Director	4	4
Mr. Rajamani Venkataraman	Non-Executive Director	4	2
Ms. Abhishikta Munjal*	Chief Risk Officer	2	2
Mr. Mohit Kumar**	National Credit Manager	2	2
Mr. Govind Modani***	Treasury Head	2	2
Mr. Gaurav Seth****	Chief Financial Officer	1	1

*Ms. Abhishikta Munjal was inducted to the ALCO with effect from September 06, 2023.

** Mr. Mohit Kumar was inducted to the ALCO with effect from September 06, 2023.

***Mr. Govind Modani was inducted to the ALCO with effect from September 06, 2023.

****Mr. Gaurav Seth was inducted to the ALCO with effect from January 15, 2024.

Annexure V to Directors' Report (Contd)

The terms of reference of the ALCO are in line with the guidelines prescribed by the RBI which, inter alia, includes the following:

a. Liquidity risk management should include decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches;

b. Management of market risks

c. Funding and capital planning

d. Profit planning and growth projection

e. Forecasting and analysing 'what if scenario' and preparation of contingency plans

IT Strategy Committee

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (*earlier under the Policy Circular No. NHB/ND/DRS/Policy Circular No. 90/2017-18, dated June 15, 2018*), the Board of Directors constituted IT Strategy Committee.

The Composition of IT Strategy Committee as on March 31, 2024 is as follows:

1. Mr. Srinivasan Sridhar – Chairman
2. Mr. Arun Kumar Purwar - Member
3. Mr. Monu Ratra - Member
4. Ms. Abhishikta Munjal - Member
5. Mr. Rachit Gehani - Member
6. Mr. Shankar Ramrakhiani - Member
7. Mr. Mitesh Vora - Member

During the year under review, the Committee met twice on August 08, 2023 and February 05, 2024.

The number of the meetings held and attended by the members of the IT Strategy Committee during the FY 2023-24 are summarised below:

Name	Category	No. of meetings entitled to attend	No. of Meetings Attended
Mr. Srinivasan Sridhar	Independent Director	2	2
Mr. Arun Kumar Purwar	Independent Director	2	2
Mr. Monu Ratra	Executive Director & CEO	2	2
Ms. Abhishikta Munjal	Chief Risk Officer	2	1
Mr. Rachit Gehani	Chief Technology Officer	2	2
Mr. Shankar Ramrakhiani	Chief Information Security Officer	2	2
Mr. Mitesh Vora*	Head IT Infrastructure and Cyber Security	1	1

* Mr. Mitesh Vohra has resigned and ceased to be the member of IT Strategy Committee w.e.f. November 28, 2023.

The terms of reference of the Committee are in line with guidelines prescribed by RBI which, inter alia, include the following:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place
2. Ascertaining that management has implemented processes and practices ensuring that the IT delivers value to the business
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcin gand use of IT resources
5. Ensuring a proper balance of IT investments for sustaining the required growth and becoming aware about exposure towards IT risks and controls
6. Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives;
7. Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;

Annexure V to Directors' Report (Contd)

8. Ensure that the RE has put in place processes for assessing and managing IT and cybersecurity risks;

9. Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the RE's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and

10. Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the RE.

ESG Committee

The composition of the ESG Committee as on March 31, 2024 is as follows:

1. Ms. Mohua Mukherjee – Chairman
2. Mr. Monu Ratra – Member
3. Mr. Srinivasan Sridhar - Member
4. Mr. Ajay Jaiswal – Member
5. Ms. Abhishikta Munjal – Member
6. Mr. Rachit Gehani – Member
7. Ms. Rashmi Priya – Member
8. Ms. Madhvi Gupta - Member

During the year under review, the Committee met once on December 26, 2023

Details of the number of the meetings held and attended by the members of the Committee during the financial year 2023-24 are summarized below:

Name	Category	No. of meetings entitled to attend	No. of Meetings Attended
Ms. Mohua Mukherjee	Independent Director	1	1
Mr. Srinivasan Sridhar	Independent Director	1	1
Mr. Monu Ratra	Executive Director & CEO	1	1
Mr. Ajay Jaiswal	Chief Operating Officer	1	1
Ms. Abhishikta Munjal	Chief Risk Officer	1	1
Mr. Rachit Gehani	Chief Technology Officer	1	1
Ms. Rashmi Priya	HR Head	1	1
Ms. Madhvi Gupta*	Marketing Head	1	1

*Ms. Madhvi Gupta was inducted into the ESG Committee with effect from September 06, 2023.

The terms of reference of the Environmental Social Governance Committee (ESG Committee), inter alia, includes the following:

1. To set general ESG strategies keeping in mind the Company's commitments.
2. To ensure that the company's ESG strategy is integrated into its business plan by developing and implementing initiatives and policies based on that strategy,
3. To monitor the integrity and quality of the company's ESG strategy, ensuring that it serves to foster a culture of responsibility and transparency.
4. To provide oversight on behalf of and to the Board in relation to IIFL HFC's ESG strategy and activities.
5. To oversee communications with employees, investors, and stakeholders with respect to ESG Strategy and related matters
6. To review and approve IIFL HFL's impact reports to be issued from time to time.
7. To review and approve the qualifications, independence, engagement, compensation and performance of the external party chosen to provide assurance on IIFL HFL's annual Sustainability Report.
8. Any other incidental and ancillary matters pertaining to ESG Strategy and Programme of the Company.

Senior Management:

The Particulars of senior management for the financial year ended March 31, 2024 are as follows:

Full Name	Current Designation
Abhishikta Chadda Munjal	Chief Risk Officer - HFC
Ajay Kumar Jaiswal	Chief Operating Officer - HFC
Madhvi Gupta	Marketing Head - HFC
Lokesh Goyal	National Technical Manager - HFC
Rashmi Priya	Head HR - HFC
Amit Sengar	Zonal Sales Head
Praveen Khullar	Zonal Sales Head
Rachit Gehanii	Chief Technology Officer
Manoj Kumar	Head Legal - HFC
Kranth Namala	Zonal Sales Head
Gaurav Seth	CFO - HFC
Mohit Kumar	National Credit Manager - HFC
Iqbal Ahmad Farooqui	National Collection Manager
Sagar Riaz	Special Projects Lead

Annexure V to Directors' Report (Contd)

Changes in the particulars of Senior Management Personnel during the financial year are as follows:

1. Mr. Amit Gupta, Chief Financial Officer was redesignated to Head-Finance w.e.f. October 17, 2023 due to internal restructuring within the Company.
2. Mr. Gaurav Seth was appointed as the Chief Financial Officer of the Company w.e.f. October 17, 2023.

Remuneration of Directors

Details of Remuneration for the FY 2023-24 and details of the number of shares and Convertible instruments held by Directors as on March 31, 2024 are as follows:

	Designation	Salary and Perquisite	Commission/ Bonus	Sitting fee	Contribution to PF and other funds, gratuity	Stock options	Number of equity shares and non convertible instruments held
Mr. Srinivasan Sridhar	Independent Director	-	₹ 25,00,000	₹ 10,60,000	-	-	-
Mr. Kranti Sinha#	Independent Director	-	₹ 7,04,918	₹ 3,50,000	-	-	-
Mr. Rajamani Venkataraman	Non-Executive Director	-	-		-	-	-
Mr. Nirmal Jain	Non-Executive Director	-	-		-	-	-
Mr. Arun Kumar Purwar	Independent Director	-	-	₹ 3,90,000	-	-	-
Mr. Monu Ratra	Executive Director & CEO	₹ 302,50,000	₹ 350,00,000	-	-	2,68,822	100*
Ms. Mohua Mukherjee	Independent Director	-	₹ 20,00,000	₹ 5,10,000	-	-	-
Mr. Kabir Mathur	Nominee Director	-	-		-	-	-
Mr. Venkataramana Anantharamanan	Independent Director	-	₹ 20,00,000	₹ 5,10,000	-	-	-
Mr. Mathew Joseph##	Independent Director		₹ 8,36,065	2,10,000			

Note: i. Remuneration of Fixed CTC and performance bonus has been considered for presenting data on comparable basis for Mr. Monu Ratra Executive Director & CEO, the remuneration is exclusive of the value of perquisites on ESOPs.

ii. The remuneration of Mr. Srinivasan Sridhar, Mr. Kranti Sinha, Mr. Venkataramana Anantharamanan, Mr. Mathew Joseph and Ms. Mohua Mukherjee has been presented on the basis of commission to be paid for FY 2023-24.

iii. No severance fees was paid to any of the Director during FY 2023-24.

*Monu Ratra holds shares as nominee of IIFL Finance Limited.

#Mr. Kranti Sinha had resigned and stepped down from the post of Non-Executive – Independent Director of the Company with effect from August 08, 2023, due to personal reasons.

##Mr. Mathew Joseph was appointed on the Board as Independent Director with effect from October 31, 2023.

Annexure V to Directors' Report (Contd)

Remuneration to Non-Executive Directors

During the year, the Non-Executive Directors are paid remuneration by way of sitting fees, commission and other expenses (travel, boarding and lodging incurred for attending the Board/Committee meetings). The Non-Executive Non-Independent Directors are not paid any sitting fees.

With effect from October 01, 2021, the Company is paying sitting fees of ₹ 50,000 (Rupees Fifty Thousand only) per meeting to the Non-Executive Independent Directors for Board Meeting and Audit Committee. However, for other Committees, the Company is paying sitting fees of ₹ 30,000 (Rupees Thirty Thousand only) per meeting. The sitting fees were paid for attending meetings of the Board and the Committee (excluding the Corporate Social Responsibility Committee meetings for which there were no sitting fees payable). Additionally, the Company also provided reimbursement for actual travel and out-of-pocket expenses, if any, incurred by them.

Apart from the above, the Non-Executive and Independent Directors are eligible for commission as approved by the shareholders of the Company at the Annual General Meeting held on August 2, 2019. The amount of commission is based on the overall financial performance of the Company and Board of Directors. In addition to the aforementioned, no other remuneration is paid to the Non-Executive Independent Directors.

There are no pecuniary relationships or transactions between Non- Executive Directors and the Company. The Company has obtained a Directors and Officers Liability Insurance policy covering all its Directors and Officers in respect of any legal action that might be initiated against them.

Periodic review of compliances of all applicable laws

The Company follows a system whereby all the Acts, Rules and Regulations applicable to it are identified, and compliance with such Acts, Rules and Regulations is monitored by dedicated teams on a regular basis. Verification of compliances with the major Acts/Regulations is carried out by suitable external auditors, and their reports and implementation of their observations are reported to the Board / Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received from the Company in respect of various laws, Rules and Regulations applicable to the Company is placed before the Board on a regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

General body Meetings

Date of AGM	Location	Time	Whether any Special resolution was passed
June 29, 2023	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	04:00 p.m.	Yes
July 20, 2022	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	4.30 p.m.	No
June 23, 2021	IIFL House, Sun Infotech Park, Road No. 16V, Plot No., B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604	4.30 p.m.	No

Postal Ballot

During the year under review, no resolution was passed through the Postal Ballot.

Means of communication to the Stakeholders

The primary source of information to the shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company www.iiflhomeloans.com. The Annual Report, quarterly financial results, corporate actions and copies of press releases, if any, among others, are regularly submitted to the Stock Exchanges and uploaded on the website of the Company including Quarterly / Annual Financial Results in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the disclosures made to the Stock Exchanges are also available on the website of the Company i.e. https://www.iiflhomeloans.com/investor-relations. The quarterly and annual results of your Company are published in widely circulated English newspaper(s).

Annexure V to Directors' Report (Contd)

General Shareholder Information

1	Annual General Meeting	For the details please refer to the Notice of ensuing Annual General Meeting
2	Finance Year (2023-24)	From April 1 to March 31
3	Dividend payment date (Interim dividend)	During the financial year 2023-24, your Company had declared ₹ 55 per equity share and payment was made within the stipulated timeline.
4	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	Publicly issued Non-Convertible Debentures (NCDs) are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and privately placed NCDs are listed on NSE. The Listing fees as applicable have been duly paid to stock exchanges
5	Stock Code	Not applicable
6	Market price data- high, low during each month in last financial year	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange
7	Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc	Not applicable; as Equity Shares of the Company are not listed on any Stock Exchange
8	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not Applicable
9	Registrar to an issue and share transfer agents	Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Telephone: 022-49186000 Email: rnt.helpdesk@linkintime.co.in bonds.helpdesk@linkintime.co.in
10	Share transfer system	Equity shares- Registrar and Transfer Agent NCDs are in dematerialised form transfer and transmission of security is outsourced to Registrar and transfer agent
11	Distribution of shareholding	Not Applicable
12	Dematerialization of Shares and liquidity	All shares are in dematerialized form.
13	Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity	Not Applicable
14	Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
15	Plant locations	Not Applicable
16	Address for Correspondence	Mr. Ajay Jaiswal, Company Secretary & Compliance Officer Plot No. 98, IIFL Towers, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015
17	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	The details are provided below

Annexure V to Directors' Report (Contd)

Details of Rating as on March 31, 2024

Instruments	Rating Agency	Rating
Non-Convertible Debentures	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications
	CARE Ratings	CARE AA (RWD) Placed on Rating Watch with Developing Implications
	Brickwork Ratings	BWR AA+/Negative
	India Ratings	IND AA/Rating Watch With Negative Implication
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
	ICRA Limited	PP-MLD[ICRA]AA; Placed on 'Rating Watch with Negative Implications
Subordinated Debt	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications
	Brickwork Ratings	BWR AA+/Negative
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
Bank Loan	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')
	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications
Commercial Paper	CRISIL Limited	CRISIL A1+
	ICRA Limited	[ICRA]A1+

Migration of Rating

During the Financial year 2023-24, there are no migration of rating, however, CRISIL changed its outlook from Stable to Positive. Further, Pursuant to RBI restriction on gold loan business of parent company, the rating have been put under watch by the rating agencies.

Shareholding Pattern

Categories of Equity Shareholders as on March 31, 2024

Name of Shareholder	Category of Shareholder	Number of shares	% of Shareholding
IIFL Finance Limited	Promoter	2,09,67,681	79.59
Platinum Owl C 2018 RSC Limited, acting in its capacity as the trustee of Platinum Jasmine A 2018 Trust	Non-Promoter	53,76,457	20.41
Mr. Govind Modani*	Individual	100	-
Mr. Gaurav Seth*	Individual	100	-
Mr. Monu Ratra*	Individual	100	-
Mr. Amit Gupta*	Individual	100	-
Mr. Ajay Jaiswal *	Individual	100	-
Total		**2,63,44,638**	**-**

*Individual shareholders are holding shares as nominee of IIFL Finance Limited (the holding Company).

Annexure V to Directors' Report (Contd)

Other Disclosures

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

The Company has put in place a Related Party Transactions Policy (RPT) which was approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/Shareholders, reporting and disclosure requirements in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All transactions executed by the Company during the financial year with related parties were on arm's length basis and in the ordinary course of business. All such RPT were placed before the Audit Committee for approval, wherever applicable. The policy on the materiality of RPTs (part of the Related Party Transaction Policy) and dealing with RPTs as approved by the Board may be accessed on the website of the Company i.e. https://www.iiflhomeloans.com/investor-relations/corporate-governance. You may refer to Note no. 41 of the Standalone Financial Statement which contains related party disclosures.

(b) Details of Non-Compliance

No strictures/ penalties were imposed on your Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matter related to the securities markets during the last three financial years.

No fines/penalties have been levied by the RBI during the year 2023-24.

(c) Details of establishment of vigil mechanism/whistle blower policy, and affirmation that no personnel was denied access to the Audit committee

In Compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violations of the Company's Code of Conduct or ethics policy. The Policy provides adequate safeguard against the victimization of whistle blowers, who avails such mechanism and also provides for the access to the Chairman of Audit Committee. None of the whistleblowers have been denied access to the Audit Committee. The said Policy as approved by the Board may be accessed on the website of the Company i.e. https://www.iiflhomelaons.com/investor-relations/corporate-governance.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed for High Value Debt Listed Companies in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company. The status of Compliance with the Non- mandatory recommendation in the SEBI Regulations is as follows:

- The Internal Auditor has direct access to the Audit Committee.
- The Company follows a robust process of communicating with the shareholders which has been explained earlier in the report under "Means of Communication".

(e) Web link where policy for determining 'material' subsidiaries is disclosed at https://www.iiflhomeloans.com/corporate-governance

(f) Web link where policy on dealing with related party transactions is disclosed at https://www.iiflhomeloans.com/corporate-governance

(g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable

(h) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Not Applicable

(i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority forms part of this report.

(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: No such instance was reported.

Annexure V to Directors' Report (Contd)

(k) Total Fees to Statutory Auditor

Total fees (exclusive of GST and other taxes as applicable) for all services paid by the listed entity and its subsidiary, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Date of AGM	Amount (₹ in Millions) (HFC)	Amount (₹ in Millions) (IIHFL Sales	Amount (₹ in Millions) (Consol)
Audit Fee	0.65	0.07	0.72
Limited Review	0.71	0.01	0.72
Other matters and certification	0.25	-	0.25
Out of Pocket Expenses	0.22	-	0.22
Others, if any	-	-	-
Total	**1.83**	**0.08**	**1.91**

(l) Prevention of Sexual Harassment

The Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on the prevention of Sexual Harassment of Women at Workplace and has constituted an Internal Complaints Committee. During the year under review, there were neither any complaint received nor any outstanding.

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of financial year: Nil

Number of workshops or awareness programmes against sexual harassment carried out: The Company regularly sensitizes its employees on the prevention of sexual harassment through online training.

(m) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:

Except for transactions mentioned under related party transactions, no loans and advances are granted to firms/companies in which Directors are interested.

(n) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries- Not Applicable

(o) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed: Company is complied with the requirements

(p) There has been no instances of breach of covenants of loan availed or debt securities issued during the financial year ended March 31, 2024.

(q) Divergence in the asset classification and provisioning

There is no divergence in asset classification and provisioning as assessed by NHB where:

i) The additional provisioning requirements assessed by National Housing Bank (NHB) exceeds 5% of the reported profits before tax and impairment loss on financial instruments as on March 31, 2024, or

ii) The additional Gross NPAs identified by NHB exceeds 5% of the reported Gross NPAs as on March 31, 2024.

(r) Among discretionary requirements, as specified in Part E of Schedule II of Listing Regulations and other acts, rules, regulations, and guidelines as applicable, the Company has adopted the following:

a. The Company has adopted a regime of financial statements with an unmodified audit opinion.

b. The Company has appointed separate posts for the Chairman and the CEO such that Chairman is a Non-Executive Director and not related to the CEO.

c. The internal auditor directly reports to the Audit Committee of the Company.

(s) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (a) to (i) of Regulation 62 (1A) of the SEBI Listing Regulations shall be made in the section on corporate governance of the annual report.

Annexure V to Directors' Report (Contd)

The Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, which have become applicable to the Company as a High Value Debt Listed Entity ("HVDLE").

Declaration signed by the Chief Executive Officer stating that the members of the Board of directors and senior management personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management.

The confirmation from the Chief Executive Officer regarding compliance with the Code by all the Board Members and Senior Management forms part of the Report. The Code of Conduct is displayed on the website of the Company i.e. www.iiflhomeloans.com.

Compliance certificate from either the auditors or Practising company secretaries regarding compliance with conditions of corporate governance shall be annexed to the Directors' report.

The certificate received from the Secretarial Auditors of the Company, M/s. RMG Associates, Practising Company Secretary confirming the compliance of conditions of corporate governance is annexed to this Report in terms of the provisions of Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

Disclosure of certain types of agreements binding listed entities: Not Applicable

For and on behalf of the Board of Directors

Date: May 06, 2024

Monu Ratra
Executive Director & CEO
DIN: 07406284
Place: Mumbai

R. Venkataraman
Director
DIN: 00011919
Place: Mumbai

Annexure V to Directors' Report (Contd)

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under SEBI (Listing Obligations and Disclosure Requirements) Regulations , 2015

To
The Board of Directors
IIFL Home Finance Limited

Compliance Certificate as required under Regulation 17(8) of SEBI, Part B of Schedule II (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, Monu Ratra, Chief Executive Officer and Executive Director and Gaurav Seth, Chief Financial Officer hereby certify that:

A. We have reviewed Financial statements and the Cash Flow statement for the year under review and that to the best of their knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

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

B. To the best of their knowledge and belief, there were no transactions entered into by the listed entity during the year that were fraudulent, illegal or violative of the listed entity's code of conduct.

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

D. We have indicated to the auditors and the Audit committee:

(1) Significant changes in internal control over financial reporting during the year

(2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements

(3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the listed entity's internal control system over financial reporting

Monu Ratra
Executive Director & CEO

Gaurav Seth
Chief Financial Officer

Date: May 02, 2024

Declaration on Compliance with the Code of Conduct

Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, this is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the Company's website.

I confirm that the Company has, with respect to the financial year ended on March 31, 2024, received from the Board Members and Senior Management Personnel of the Company, declaration of compliance with the Code of Conduct as applicable to them.

For **IIFL Home Finance Limited**

Monu Ratra
Executive Directors & CEO
DIN: 07406284
Place: Gurugram
Date: May 02, 2024

COMPLIANCE CERTIFICATE

[Pursuant to Notice No. 20220107-16 and Regulation 34(3) read with Schedule V Para E of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

We have examined the compliance of conditions of Corporate Governance of **IIFL Home Finance Limited** (hereinafter referred to as "**the Company**"), having its Registered Office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane, Maharashtra, 400604, and Corporate Office at Plot No. 98 Udyog Vihar Phase IV Gurgaon Haryana 122015 for the financial year ended on **March 31, 2024** as stipulated in Regulations 17 to 27, Regulation 62 and Para C,D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Responsibility of Practicing Company Secretary

Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations. However, we noted that Mr. Kranti Sinha (DIN: 00001643) has stepped down from the Board as Independent Director of the Company with effect from August 8, 2023 and due to the same, composition of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee was affected for few days.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No.: 734/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F010098F000315106

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Notice No. 20220107-16 and Regulation 34 (3) read with Schedule V Para C clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IIFL Home Finance Limited (CIN: U65993MH2006PLC166475)** (hereinafter referred to as "**the Company**") having its Registered Office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane, Maharashtra – 400604 and Corporate Office at Plot No. 98 Udyog Vihar Phase IV Gurgaon Haryana 122015 as produced before us by the Company for the purpose of issuing this certificate, in pursuance of the provisions of Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **("SEBI Listing Regulations")**

In our opinion and to the best of our information and to the extent of accessibility of the data or information as available and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the Financial Year ended **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India ("**SEBI**"), Ministry of Corporate Affairs ("**MCA**") or any such other statutory authority.

S. No.	DIN	Full Name	Designation
1.	07406284	Mr. Monu Ratra	Whole Time Director & CEO
2.	00004272	Mr. Srinivasan Sridhar	Director
3.	01033802	Mr. Mathew Joseph	Director
4.	00010535	Mr. Nirmal Bhanwarlal Jain	Director
5.	00011919	Mr. Venkataraman Rajamani	Director
6.	00026383	Mr. Arun Kumar Purwar	Director
7.	08714909	Ms. Mohua Mukherjee	Director
8.	08635072	Mr. Kabir Mathur	Nominee Director
9.	01223191	Mr. Venkataramanan Anantharaman	Director

Ensuring the eligibility for the appointment/continuity of a Director on the Board of the Company is the ultimate responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of the disclosures/information provided by the management of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RMG & Associates**
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No.: 734/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F010098F000315141

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

Annexure VI to Directors' Report

Management Discussion and Analysis

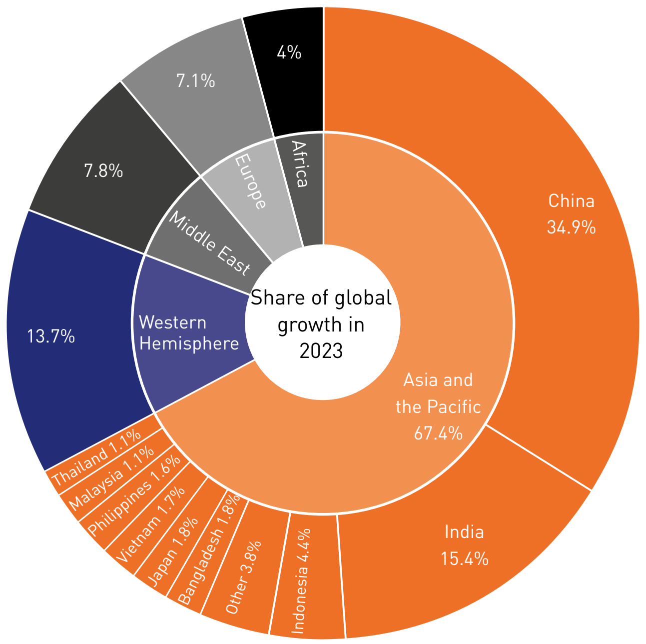
Global Economic Overview

In CY23, the global economy demonstrated resilience despite navigating unpredictable headwinds. According to the International Monetary Fund (IMF), the economy experienced a 2.8% growth over the year. However, elevated inflation significantly impacted consumer spending, causing a notable slowdown. Geopolitical tensions disrupted supply chains and weakened investor confidence, resulting in a decline in both international trade and business investment.

In response to inflation, major central banks raised policy interest rates, leading to higher mortgage costs, reduced credit availability, and decreased investment in businesses and residential sectors. While these measures were necessary, they also had the effect of disincentivising certain investment activities. However, emerging and developing economies such as India, Vietnam, and Mexico observed robust growth and capital inflows from foreign institutional investors.

The prospect of an economic slowdown has significantly reduced, facilitated by disinflation and steady growth. Global headline inflation is expected to fall to 5.8% in 2024 and to 4.4% in 2025, which should ease financial conditions. Inflation is declining quicker than projected, with both headline and core inflation approaching pre-pandemic levels. Additionally, improved fiscal management across many economies provided a buffer against potential shocks, contributing to a more secure financial landscape.

Asia contributed ~70% of global growth in 2023



Source: IMF, World Economic Ounlook, April 2023

Note: Groupings based on IMF Regional Economic Outlook classifications.

Outlook

Looking ahead to 2024, the global economy is at a pivotal juncture, with the potential for gradual recovery and stabilisation. The global growth is predicted to be 3.1% in CY24, with a slight increase to 3.2% in 2025. Despite the prevailing challenges, the outlook demonstrates a sense of cautious optimism, with anticipated easing of inflationary pressures and more accommodative monetary policy measures. As the global community navigates through these uncertain times, the collective policy response and resilience of economies worldwide will be instrumental in shaping a sustainable and inclusive growth trajectory for 2024.

Indian Economic Review

In FY2024, the Indian economy showcased a robust performance, characterised by a notable growth trajectory and various strategic policy interventions aimed at fostering sustainable economic expansion. The influence on the economic landscape is attributed to proactive governmental policies, infrastructural enhancements, and the paradigm shift towards financial inclusion and digital advancements.

In FY2024, the Indian economy achieved growth rate of 8.2%, facilitated by the Government's enhanced capital expenditure. This strategic fiscal manoeuvring has improved the nation's infrastructure, catalysing the housing finance sector through improved consumer confidence and escalating housing demand. Furthermore, robust economic growth, favourable demographic trends and significant digital advancements, have bolstered the growth of the Indian economy.

This growth translates to increased disposable income, fuelling more demand for goods and services. The centrally funded schemes, such as Pradhan Mantri Garib Kalyan Yojana (providing income support to farmers), National Rural Livelihood Mission (promoting financial inclusion) and Pradhan Mantri Kaushal Vikas Yojana (boosting manufacturing to create job opportunities), have been the key drivers to increase real income.

Launched in 2020, Production Linked Incentive (PLI)[2] scheme has proven to be effective in accelerating the momentum of the growth of the Indian economy. The scheme augmented domestic manufacturing across 14 sectors. It increased production, enhanced employment generation and aided economic growth by significantly increasing the FDI in the manufacturing sector to 76%. The PLI Scheme for food processing has positively impacted the income of Indian farmers and MSMEs.

[1]https://www.mospi.gov.in/sites/default/files/press_release/PressNoteGDP31052024.pdf

[2]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1932051

Annexure VI to Directors' Report (Contd)

Outlook

Going forward, India's growth is expected to remain strong, supported by improving macroeconomic factors and robust internal financial stability. The economy is set to grow by more than 7% in FY25, making it the fastest-expanding major economy in the world. This strong growth provides the central bank with the opportunity to focus on price stability, while rising demand across core sectors is anticipated to aid in job creation.

A significant advantage for India's economic growth is its youth population, with a median age projected to reach 31 by CY2030. The working-age demographic is expected to increase by 1.2 times from 2015 to 2030, resulting in India becoming the world's largest working-age population of 1.03 billion by CY2030. [3] This demographic expansion will be a key driver of economic growth.

The anticipated economic expansion is largely driven by substantial infrastructure investments. These investments are supported by increased government spending and improvements in the financial health of corporations and banks. Such investments are crucial for sustaining growth and enhancing the country's infrastructure.

Moreover, the young and expanding workforce, coupled with efforts to develop smaller cities more inclusively, further supports this growth. The demographic growth is likely to increase demand in essential sectors such as transportation, food, housing, and infrastructure, fostering a balanced and sustainable economic environment.

Industry Overview

The Indian Housing Finance Industry is set for growth, supported by the Government's decision to increase capital expenditure by 11.1% to ₹ 11.11 lakh crore for the fiscal year, equating to 3.4% of GDP.[4] This measure not only bolsters the nation's infrastructure but also benefits the housing finance sector through improved consumer confidence and increased housing demand. The sector's growth can also be attributed to strong economic performance, favourable demographics and digital advancements.

Governmental initiatives, facilitate affordable housing by making homeownership more accessible to individuals belonging to lower and middle-income groups, particularly in rural areas. These initiatives, coupled with increased capital expenditure, are anticipated to enhance infrastructure, consequently bolstering the housing market.

In the Interim Budget 2024-25, it was announced that two crore additional rural houses will be constructed under the Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) over the next five years, aiming to meet the rising demand. Despite the challenges posed by Covid-19, the government is close to achieving its target of three crore houses. Additionally, a new scheme is planned to support middle-class urban homebuyers in purchasing or building their homes.

A stable economic environment, effective policies and relentless governmental efforts towards financial inclusion and the digitisation of financial services, have fostered growth and enhanced the accessibility and affordability of housing finance.

Affordable Housing

The Affordable Housing Finance sector saw various developments in FY2024, driven by a favourable operating environment and high demand. The sector has effectively tapped into underserved market segments, leveraging their expertise in evaluating credit risks to serve lower and middle-income groups.

With the diminishing share of priority sector lending-compliant home loans within the overall banking sector portfolio over the past two years, it has led to significant developments in the sector, opening new avenues for AHFCs to broaden their portfolios through co-lending agreements or direct assignment transactions, augmenting market expansion and presence.

The sector saw improvements in asset quality, supported by better collection efficiency and strategic write-offs, maintaining stability despite inherent risks associated with lending to self-employed individuals with volatile incomes. The Gross Non-Performing Assets (GNPA) ratio has stabilised at around 1.2% as FY2024 concluded. The sector's capital structure remained robust, supported by solid internal accruals, with a gearing ratio approximately 2.9x as of March 31, 2024. AHFCs achieved strong profitability through improved net interest margins and controlled credit costs, despite increased operating expenses due to branch expansion.

Banks are set to continue as a principal source of funding for AHFCs, facilitating their growth and operational scalability. This partnership is a symbiotic relationship between banks and AHFCs, enabling the latter to leverage the financial stability and resources of the former to meet the housing needs of underserved communities effectively.

Significant Policy Changes

The Reserve Bank of India (RBI) has announced a series of policy changes that are set to impact the housing sector positively. The changes include a substantial increase in the housing loan limits for Urban Co-operative Banks (UCBs) and new lending options for Rural Co-operative Banks.

For Tier 1 Urban Cooperative Banks (UCBs), the individual housing loan ceiling has been raised to ₹ 60 lakh, which is double the previous maximum. Similarly, Tier 2 UCBs will see an increase in their housing loan ceiling to ₹ 1.40 crore. For Rural Cooperative Banks, the upper limits have been increased from ₹ 20 lakh to ₹ 50 lakh and from ₹ 30 lakh to ₹ 75 lakh, respectively.

Furthermore, Rural Co-operative Banks have now been authorized to lend to the Commercial Real Estate Residential sector. This expansion

[3]https://dea.gov.in/sites/default/files/Report%20of%20the%20Task%20Force%20National%20Infrastructure%20Pipeline%20%28NIP%29%20-%20volume-i_1.pdf

[4]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2001130

[5]https://www.careratings.com/uploads/newsfiles/1708066976_Affordable%20Housing%20Finance_CareEdge%20Report.pdf

[6]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1832644

Annexure VI to Directors' Report (Contd)

of their lending scope aims to meet the growing demand for affordable housing in rural areas. These decisions are expected to increase the credit flow to the housing sector, thereby stimulating economic activities, enhancing capital formation, and generating employment.

These policy changes by the RBI are anticipated to significantly boost the housing sector, leading to overall economic growth and development.

Market Penetration

Fuelled by resilience and anticipated rebound in housing and developer loans, the Housing finance companies' (HFCs) Assets Under Management (AUM) grew in double-digits in FY2024 and FY2025. With the support of solid macroeconomic fundamentals and various factors, including rapid urbanisation, decreasing mortgage-to-GDP ratios, favourable demography and governmental initiatives, the residential real estate sector is thriving. The paradigm shift towards spacious living and premium amenities facilitated by low interest rates and stamp duty cuts in some regions, is expected to propel the growth of the industry in the coming years

The affordable housing segment is one of the fastest-growing domains in Indian consumer finance, addressing the needs of lower to middle-income brackets. The government's focus on increasing housing loan penetration, especially in rural and semi-urban areas, underscores the potential for significant market expansion.

However, challenges remain on the horizon. Regulatory changes, tighter liquidity conditions, persistently high interest rates, delays in resolving bad wholesale loans and increased competition from banks are potential downside risks that HFCs need to manage effectively.

PESTEL Analysis

The Indian housing market operates within a complex web of factors influencing its growth and stability. The breakdown of these key influences can be done by a PESTEL Analysis.

Political

Government Policies and Initiatives: Pradhan Mantri Awas Yojana (PMAY): As of March 2024, over 2.56 crore houses have been constructed out of the 2.94 crore sanctioned houses under PMAY (Gramin). This program aims to provide affordable housing to all eligible beneficiaries in rural areas.

Real Estate (Regulation and Development) Act (RERA): Enacted in 2016, RERA aims to protect home buyers and boost investments in the real estate sector. As of May 2024, over 1,00,000 projects have been registered under RERA across various states.

Taxation and Subsidies:

Income Tax Benefits: Homebuyers can claim deductions up to ₹ 1.5 lakh under Section 80C for principal repayment and up to ₹ 2 lakh under Section 24 (b) for interest on home loans .

Economic

Interest Rates: As of May 2024, the Reserve Bank of India (RBI) has maintained the repo rate at 6.75%, which influences home loan interest rates offered by banks.

Economic Growth: Disposable income levels have been rising, with per capita income increasing to ₹ 2,14,000 in 2023-24 from ₹ 1,72,000 in the previous year.

Affordability: Despite economic growth, housing affordability remains a challenge. The affordability index, which measures the ratio of house prices to household income, stands at around 4.7 in urban areas.

Social

Demographic Trends: India's urban population is expected to grow to 600 million by 2031, up from 460 million in 2018, driving demand for housing.

The median age in India is around 28.6 years, with a significant portion of the population entering the housing market.

Technological

Efficient Loan Journeys through Fintech: Advanced technologies like AI and digital platforms streamline the loan application and approval process, reducing approval times and enhancing customer experience.

Impact of Digital Unsecured Loans: The rise of digital lending platforms has made unsecured personal and business loans more accessible, with these loans experiencing a Compound Annual Growth Rate (CAGR) of approximately 86.4% over the past 5.5 years., marking a significant impact on traditional lending practices.*

Environmental

Sustainable Development: Regulations now require new housing projects to incorporate green building practices. The Indian Green Building Council (IGBC) has certified over 7.9 billion sq. ft. of green building space as of 2024 .

Climate Change: Housing projects are increasingly incorporating climate-resilient designs. The National Building Code of India 2016 provides guidelines for such practices.

Legal

Regulatory Compliance: Stringent norms enforced by the RBI and NHB significantly impact the industry. The RBI has increased the minimum Net Owned Fund (NOF) requirement to 20 crore and raised the liquid asset requirements from 13% to 15% of public deposits by March 2025. These measures strengthen financial stability and compliance standards for housing finance companies (HFCs).*

[7] https://www.thehindubusinessline.com/money-and-banking/hfcs-eye-12-14-aum-expansion-on-back-of-housing-and-developer-loans/article67988330.ece

[8] https://www.undp.org/india/press-releases/india-shows-progress-human-development-index-ranks-134-out-193-countries#:~:text=of%20193%20countries-,India%20shows%20progress%20in%20Human%20Development%20Index%2C%20ranks%20134%20out,the%20medium%20human%20development%20category.

[9] https://faceofindia.org/wp-content/uploads/2024/02/1.-Fintech-personal-loans_21st-Feb-2024_website.pdf

[10] https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=57128

Annexure VI to Directors' Report (Contd)

Land Acquisition Laws: Land acquisition remains complex due to lengthy approval processes and legal challenges governed by the Land Acquisition, Rehabilitation and Resettlement Act, 2013. This requires thorough understanding and strategic planning to mitigate risks.

Company Overview

Established in 2006, IIFL Home Finance (formerly known as India Infoline Housing Finance Limited) is a prominent subsidiary of IIFL Finance Limited, a market leader in the Indian financial services sector. The company received its registration certificate from the National Housing Bank (NHB) in 2009, marking its establishment as a trusted provider of home loan solutions in India. Over the years, IIFL Home Finance has carved a niche in the housing finance market by offering reliable and accessible loan products.

In line with its commitment to promoting financial inclusion, IIFL Home Finance focuses on addressing the needs of underserved individuals, particularly those in the Economically Weaker Section (EWS) and Lower-Income Group (LIG) segments. Recognising that these individuals often have limited or no credit history and rely on informal income, the company strives to provide them with opportunities to access financial services. By focusing on these segments, IIFL Home Finance aims to bridge the gap in housing finance and contribute to the broader goal of inclusive economic growth in India.

Extensive Network, Technology-Driven Approach

With a network of 396 branches across India, the organisation caters to both salaried and self-employed individuals. The Company utilises advanced technology-driven lending processes, offers competitive interest rates and provides flexible repayment option, consequently enhancing customer experience. A part of the diversified IIFL Group, the Company leverages their strength and expertise to provide easy and affordable home financing solutions throughout India.

Fostering Innovation and Collaboration

IIFL Home Finance' flagship platform, 'Kutumb', fosters collaboration within the affordable housing industry. The initiative brings together architects, construction experts, developers and government representatives, to bridge the gap between green and affordable housing solutions in India. Furthermore, the Company has enhanced its digital capabilities through a user-friendly mobile app and revamped website, providing online loan applications, status tracking and convenient account management. Additionally, digital onboarding processes facilitate paperless loan approvals and faster turnaround times.

Strategic Partnerships and Sustainability Initiatives

IIFL Home Finance has established co-lending agreements with several banks and financial institutions, leveraging partner capabilities and customer bases to provide borrowers with varied home loan products and competitive pricing.

The Company is committed to sustainability, offering special interest rate concessions and benefits on loans for green-certified properties or those incorporating eco-friendly features. This "Green Housing" initiative reflects their adherence to providing sustainable and affordable housing solutions in India.

Shaping the Future of Housing Finance

By focusing on affordability, financial inclusion and sustainability, IIFL Home Finance positions itself as a key player in shaping the future of the Indian housing finance landscape. Their commitment extends beyond simply providing loans, the Company ensures they create a positive impact through their innovative programs and policies.

Business Overview

Business Overview and Strategy for FY24

IIFL Home Finance Ltd. (IIFL HFL) is a leading market player in the affordable housing segment. Our key objectives have been to ensure- affordable mortgage options for the middle and lower income strata and easy access to customers. The Company over the last couple of years have been deepening reach and now we have decisively pivoted in the direction. Today out of an overall branch count of 396, branches in smaller towns account for 83%.

In FY2024, the Company continued to harness the power of technology to elevate customer experience, optimise operations and drive process efficiency. Technology has enabled us to create the "phygital" model which ensures that we have expanded our customer base, improved turn around times and made our entire loan approval process-seamless, paperless and can be completed in 25 minutes. Inspite of the rapid branch and manpower expansion, extensive use of technology has enabled us in maintaining our opex to AUM ratios at 1.8%. Our asset light model approach has been working well for us in the past years and this year as well we have seen great success in the model. Our approach has been to have a well balanced mix of on-book and off-book liabilities. Apart from conventional borrowing from banks, mutual funds, refinancing from National Housing Board, the Company has also borrowed funds from various multilaterals and DFIs.

During FY2024, IIFL HFL Assets Under Management (AUM) grew to ₹ 354.99 Bn (USD 4.29 Bn), a growth of 25% with a balance sheet size of ₹ 254.46Bn (USD 3.07 Bn) by the end of the fiscal year.

Following the footsteps of the Government's 'Housing for All' mission, IIFL HFL has made significant strides in catering to varied clientele through the Credit Linked Subsidy Scheme (CLSS). The disbursements amount to over ₹ 12,861 Cr as of March 31, 2024. The Company has introduced specialised norms across various states, including Andhra Pradesh, Tamil Nadu, Gujarat, Maharashtra, Madhya Pradesh and Punjab, supporting the Beneficiary-Led Construction (BLC) Scheme of the Ministry of Housing and Urban Affairs.

IIFL HFL's continued collaboration with state bodies facilitates the expansion and promotion of its vision for sustainable and affordable housing. These partnerships with State Level Nodal Agencies (SLNAs) for the Pradhan Mantri Awas Yojna PMAY(U) across multiple states highlights the Company's commitment to enhancing housing accessibility and affordability across India.

Annexure VI to Directors' Report (Contd)

Segment Overview

Home Loans

IIFL Home Finance Ltd. (IIFL HFL) provides home loans to a diversified clientele, including salaried individuals, self-employed persons, professionals, and entrepreneurs. The Company offers financial assistance to underserved segments for home purchases, construction, renovations, and plot acquisitions. Utilizing its 'Jhatpat' instant home loan solution, IIFL HFL ensures swift loan approvals within 25 minutes. In FY2024, the home loans segment saw a substantial increase in Assets Under Management (AUM), reaching ₹ 274.38 Bn This growth highlights IIFL HFL's focus on low-ticket size loans and its consistent efforts to make homeownership accessible to first-time buyers and borrowers from informal sectors, particularly in non-metro and lower-tier cities.

Secured Business Loans

IIFL HFL offers secured business loans backed by residential or commercial properties, primarily targeting small and medium-sized enterprises (SMEs). These loans meet the working capital needs and other business-related financial requirements of SMEs. In FY2024, the AUM for this segment experienced a growth of 23%, achieving a total of ₹ 72.5 Bn. This performance indicates the Company's commitment to supporting the financial needs of the SME sector. A robust credit underwriting framework and a dedicated team ensure reliable financing solutions for consumers.

Affordable Housing Project Finance

The Affordable Housing Project Finance segment recorded an AUM of ₹ 8.1Bn in FY2024, demonstrating significant growth in the industry. IIFL HFL focuses on offering customized project financing solutions to developers for the construction and development of residential and mixed-use projects. The Company focuses on funding environmentally and socially sustainable projects to achieve Green Building Certification. This strategy aligns with IIFL HFL's retail portfolio while supporting the Company's objective to aid economic growth while promoting environmental and social sustainability. Moving forward, IIFL HFL aims to continue identifying and financing sustainable projects to reinforce its commitment to broaden the goals of sustainable development and inclusive growth.

Government initiatives

Pradhan Mantri Awas Yojana (PMAY) is the Government of India's flagship program aimed at providing affordable housing to all. With a dedicated department working across India, IIFL Home Finance have taken up housing finance under PMAY as one of their core businesses.

The Company is actively collaborating with various state governments and central government departments to construct and provide housing subsidies for the Economically Weaker Sections (EWS) and Low-Income Groups (LIG). The Company's focus is on the Affordable Housing in Partnership (AHP) and Beneficiary-Led Construction (BLC) verticals of PMAY, as the Credit-Linked Subsidy Scheme (CLSS) is currently not operational.

The Company has achieved significant success with the BLC (Beneficiary-Led Construction) component in Andhra Pradesh, formalizing a partnership with the state through a Memorandum of Understanding. This initiative provides additional financing for BLC houses, ranging from Rs. 3-5 lakhs. The Company has assisted over 25,000 BLC customers in Andhra Pradesh, marking the largest disbursement in this PMAY component by any Housing Finance Company in a single state. Currently, the Company processes approximately 1,800 to 2,000 cases per month in Andhra Pradesh.

Despite slower progress in other states due to various challenges, the Company aims to expand its geographic footprint to Uttar Pradesh, Maharashtra, Gujarat, Tamil Nadu, Karnataka, and Madhya Pradesh. For the Affordable Housing in Partnership (AHP) component, the Company focuses on approximately 8-10 states, with a strong presence in Gujarat, Tamil Nadu, Delhi, Maharashtra, Uttar Pradesh, and Madhya Pradesh.

Challenges

While implementing PMAY, several challenges have been encountered through the operations including inefficient data management, variable information levels stored by State-Level Nodal Agencies (SLNAs), and issues with ownership documents provided by beneficiaries. Despite these hurdles, the Company's professional team has been trained to navigate these state-specific challenges and align the strategies with the Government's 'Housing for All' agenda.

PMAY-U PERFORMANCE

PMAY- U verticals	Sanctioned Houses	Grounded Houses	Completed
BLC	73.76	59.88	28.11
CLSS	23.97		
AHP	20.63	13.27	6.63
ISSR	4.33	6.43	4.9

Nos. in lakhs; Source: Ministry of Housing and Urban Affairs- MIS, June 2022

Annexure VI to Directors' Report (Contd)

Strengths

Leveraging Technology for Customer Centricity

With the aid of strategic technological integration, the Company ensures homeownership is made accessible and affordable. With 391* touchpoints enhanced by a 'Phygital' approach, this integration enables the Company to expand into new markets. This strategy streamlines operations while building sustained connections with customers. By capitalising on technological advancements, the Company offers personalised solutions and transparency, optimises operations and elevates customer satisfaction.

*Excluding Gurgaon Udyog Vihar and Kochi

Comprehensive Credit Underwriting and Efficient Loan Processing

A meticulous credit underwriting process, complemented by advanced technological implementations such as artificial intelligence and machine learning, forms the backbone of the Company. These technologies facilitate an in-depth credit assessment and ensure swift loan processing with minimum risks. The Company leverages custom-developed systems and smart technologies to provide a seamless loan processing for their consumers. The system ensures significant reduction in errors and turnaround times. This infrastructure positions the Company as a reliable provider for individuals seeking uncomplicated and dependable home financing solutions.

Robust Risk Management

The Company's solid risk management framework exemplifies its commitment to safe and responsible lending practices. Designed to proactively identify and mitigate lending-related risks while complying with regulatory requirements, this framework blends technological and human expertise to ensure comprehensive risk assessment. This approach safeguards both the Company's operations and its customers, reinforcing stability and trust.

Expanding Presence in Tier 3 and 4 Cities

The Company aims to expand its geographic footprint in Tier 3 and 4 cities by broadening its branch network and targeting unexplored market segments. This expansion aligns with the commitment to make homeownership more accessible for all individuals, especially those living in the areas traditionally underserved by the financial sector. The Company curates tailored financial solutions to support the growing demand for affordable housing, reinforcing its dedication to contribute towards financial inclusion.

Strong Corporate Governance

The foundation of the Company is built upon corporate governance, ensuring transparency and accountability in all its activities. With a governance structure that includes the Board of Directors, Audit Committee, Risk Management Committee and an Internal Audit function, the Company conducts businesses with integrity and adhering to ethical standards. This governance framework is crucial for building stakeholder trust and delivering value in a responsible manner.

Annexure VI to Directors' Report (Contd)

Opportunities

- **Rising Urbanization and Demographic Shifts**

  With continuous urban migration and a significant demographic that is increasingly becoming economically active, it provides a lucrative market for home loans as younger generation is prioritising homeownership.

- **Digital Transformation**

  With the advent of digitalisation, loan processing and approvals have become a seamless experience. This has enabled the Company to expand the customer base, especially among tech-savvy consumers.

- **Government Initiatives and Schemes**

  Programs like Pradhan Mantri Awas Yojana (PMAY) and other affordable housing schemes create a conducive environment for increased lending, particularly targeting the LIG and EWS segments.

- **Increasing women ownership**

  Governmental initiatives, such as reduced stamp duties and PMAY subsidies, have facilitated a transformative shift in the home finance sector. A rise in women investing in residential properties has been observed, contributing to the industry's expansion.

- **Fintech and Co-Lending Models**

  The emergence of fintech startups and the adoption of co-lending models with banks have diversified reach, streamlined processes and provided innovative lending solutions to enable exploring the underserved markets.

- **Affordable Housing Finance Growth**

  The focus on affordable housing finance caters to a significant population portion. Addressing the demand in Tier II and Tier III cities, contributes to volume growth in home loans.

- **Green Home Loans**

  The increasing awareness of environment and increasing shift towards sustainable living has opened new avenues for green home loans, incentivizing eco-friendly housing projects and investments.

Threats

- **Dominance of Banks:** Banks' significant market share in the prime home loan segment poses a competitive challenge to HFCs and NBFCs, potentially limiting their market penetration and growth.

- **Project Delays and Approvals:** A delay in projects' approval can inhibit the construction of new properties, affecting the demand for home loans and impacting the growth of housing finance companies.

- **Collateral and Title Risks:** Risks associated with collateral fraud and discrepancies in property titles, especially in hinterlands, peri-urban areas and in relatively new developments, can lead to financial losses and undermine investor confidence.

- **Interest Rate Fluctuations:** The potential for rising interest rates, influenced by macroeconomic factors and monetary policy, can affect loan affordability and demand, posing a risk to the housing loan market growth.

- **Economic Slowdowns:** Any downturn in the economy can reduce disposable incomes and affect job security, directly impacting borrowers' ability to take new loans or repay existing ones, thereby increasing NPAs.

- **Regulatory Changes:** Changes in regulations, such as those related to lending practices, KYC norms or taxation, can introduce operational challenges and increase compliance costs, affecting profitability and growth.

Risk Management Overview

Risk Management is a pivotal element of IIFL Home Finance Ltd.'s operational ethos. Acknowledging risks is an inherent component of the business landscape, therefore, the Company focuses on effective risk mitigation. IIFL follows a comprehensive, enterprise-wide risk management framework, that is adept at identifying and analysing risks promptly, and providing proactive measures to manage potential impacts effectively.

Enterprise-Wide Risk Management Framework

The Company employs the 'Three Lines of Defence' strategy to structure its risk management approach:

- First Line of Defence: Operational Management
- Second Line of Defence: Specialised Functions such as Risk Management and Compliance
- Third Line of Defence: Internal Audit

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The Company is governed by the Board and supported by a dedicated Risk Management Committee, seeking to balance risk and return optimally, fostering sustainable value creation for stakeholders.

Credit Risk

The Company has instituted a robust credit risk management architecture, utilising policies, procedures and advanced analytics to enhance credit decision-making. By integrating machine learning tools for real-time data analysis, the Company efficiently assesses borrowers' creditworthiness. An independent internal audit team ensures compliance, while stress testing systems conduct sensitivity analyses to pinpoint potentially at-risk accounts.

Operational Risk

Operational risks are addressed through stringent internal control systems and procedural monitoring to uphold process integrity across the business. Responsibilities are clearly delineated with comprehensive access, authorisation and reconciliation protocols in place. Digitisation of credit operations significantly reduces reliance on manual tasks, minimising errors through automation.

Liquidity Risk

The Company maintains a rigorous Liquidity Risk Management framework, ensuring the availability of funds at optimal costs to meet financial obligations and support growth. The Asset and Liability Management Committee closely monitors liquidity risks, employing an adaptive Asset Liability Management (ALM) framework to manage financial assets and liabilities' maturity profiles efficiently.

Interest Rate Risk

Interest rate risks are managed by balancing loan durations and adopting diversified funding strategies. This approach optimises the borrowing profile, aiming to reduce costs and enhance fund stability.

Foreign Exchange Risk

A conservative hedging policy manages foreign currency exposure through Forward contracts and Cross Currency Interest Rate Swaps, setting fixed outflows in functional currency and minimising PBT and equity impacts due to rate fluctuations.

Regulatory Risk

The Company actively monitors regulatory landscape changes, adapting systems and practices promptly to comply with new directives and maintain operational integrity.

IT and Data Risk

Overseen by the IT Strategy Committee, the IT risk mitigation strategy aligns IT and business strategies, addressing security threats and ensuring infrastructure compliance remains updated.

Climate Risk

Acknowledging the impact caused due to climate change, the Company explores methods for resilience analysis against climate-related physical and transitional risks. Initiatives such as obtaining LEED certification for its Gurgaon Head Office and embracing digital and paperless operations underscore its commitment to sustainability and climate risk management.

Customer service and leadership

IIFL Home Finance has evolved to provide comprehensive solutions tailored to the unique needs of its customers. The journey began with understanding the gaps that exist between government subsidies and the actual cost of constructing or purchasing a home. Products are designed to bridge this gap, offering affordable financing solutions that keep customers' repayment capacities in mind.

A commitment to customer centricity extends from the moment a customer lead is acquired to their complete wish fulfilment. Dedicated teams focus on different stages of the customer journey, ensuring a seamless experience throughout. Field representatives visit customers in their communities, onboarding them digitally and providing on-the-spot solutions.

In line with the Government of India's 'Housing for All' mission, strategies and processes are aligned to cater to the underserved segments of society. Technology is leveraged to expand and provide accessible solutions, even in areas where traditional financial institutions may not have a presence.

A significant shift from email to WhatsApp as a communication channel has been made to provide faster resolutions and greater convenience, with enhanced WhatsApp features including loan summaries, document downloads, and payment links. The DIY system, which automates ticket processing, further enhances efficiency and customer satisfaction. The integration of an ORM solution and an advanced ticket management process has streamlined query resolution and improved service delivery.

Looking ahead, IIFL Home Finance is implementing new Business Rule Management logics for workflows such as part payments, rate changes, and EMI cycle date changes, aiming for straight-through processing and further operational efficiency.

In line with the developments in customer service the CSAT survey scores increased from 2.27 in May '23 to 3.17 in March '24.

Human Resources

IIFL Home Finance has implemented robust HR strategies to attract, develop, and retain top talent in alignment with its growth plans. The company utilizes an RPO model, apprenticeship program tie-ups, competitive compensation structures, and focused campus hiring from Tier II, III, and IV towns. Significant milestones include transitioning to a new HRMS, crossing 5,600 employees, and consistently achieving Great Place to Work certification.

Annexure VI to Directors' Report (Contd)

The Company emphasises employee engagement through branch visits, milestone celebrations, real-time pulse surveys, fostering camaraderie, offsites, and rewards programs. Diversity and inclusion are promoted via gender inclusivity training, leadership webinars for women, better gender pay ratios, and a healthy gender mix at leadership levels. A robust grievance redressal system, including anonymous chatbots, ensures employee concerns are addressed. Continuous skill development is driven by training need analysis based on HOD and employee feedback.

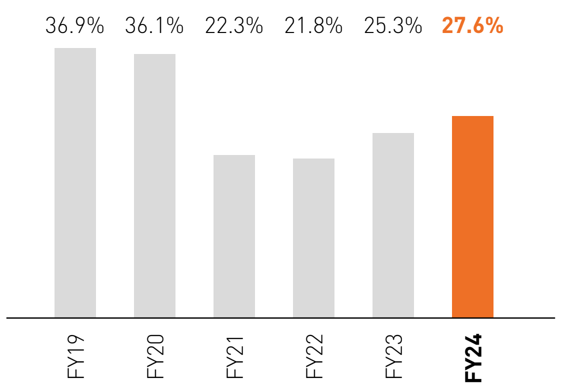
Digital Intervention

"The core principles leading to increased automation and self-service integrations will drive the mortgage loan journey in the post-COVID period as customers' inclination towards digital, hassle-free and paperless loan applications has increased". Further, "Generative AI tools will power the upcoming wave in the fintech ecosystem of housing finance" writes Rachit Gehani, Chief Technology Officer, IIFL Home Finance Limited, in an exclusive interaction with Shruti Jain of Elets News Network (ENN).

IIFL Home Finance has developed an award-winning customer onboarding platform with an embedded business rule engine that instantly provides a decision on a loan application based on an individual's risk assessment through validated data. Once an application gets approved, it moves into an in-house loan origination system in real-time for property verification and valuation. IIFL Home Finance is also ensuring that underwriting gets assisted by AI and ML tools, which use deep learning algorithms to arrive at customized commercial metrics for loan sanction.

The customer's journey towards disbursement is digitised through the e-docketing of the loan agreement, in line with the overall organizational Environmental, Social and Governance (ESG) goals. Customer service ecosystems have been integrated with do-it-yourself and omni-channel workflow to enhance customer experience and delight.

Cost to income in (%)



The Company's digital initiatives have saved over 99,14,396 sheets of paper in FY24.

As a result, IIFL Home Finance's customers have experienced increased transparency, minimal documentation and more affordable interest rates for mortgage lending, enabling the company to stay ahead of the competition in the housing finance space.

Internal Audit

IIFL Home Finance Ltd. (the Company) has tailored a risk management framework to its operational scope and complexity, prioritizing the digitization of internal control systems. This approach enhances duty segregation, accuracy in financial reporting, asset protection, and fraud prevention, while ensuring regulatory compliance.

The Company operates under the 'Three Lines of Defence' model for comprehensive risk management across its offerings. The Internal Audit function, being independent functions under the Audit Committee's guidance, works transparently and prioritises issues by severity. It embraces best practices beyond regulatory norms, including audit function automation, to boost efficiency and control accuracy.

Internal Audit follow an l Risk-Based Internal Audit Plan, focusing on inherent and control risks, and advocating for process improvements. The Company's commitment to information security is underscored by its ISO/IEC 27001:2013 certification. Regular reviews by the Board and Audit Committee ensure the risk management framework and internal controls' adequacy, addressing and preventing fraud actively. Through these measures, the Company upholds high operational and compliance standards.

Cautionary Statement

This document contains forward-looking statements and information that are based upon the Company's expectations and various assumptions at the time of writing. These statements inherently involve risks and uncertainties. In the event that any of these risks or uncertainties materialise, or should the underlying assumptions prove incorrect, the actual outcomes may significantly differ from those projected. The Company expressly disclaims any obligation to update or revise any forward-looking statements in this document, should the future developments deviate from those initially anticipated.

For and on behalf of the Board of Directors

R. Venkataraman	**Monu Ratra**
Director	Executive Director & CEO
(DIN: 00011919)	(DIN: 07406284)
Place: Mumbai	**Place:** Mumbai
Date: May 06, 2024	**Date:** May 06, 2024

Financial Statements

Independent Auditor's Report

To the Members of IIFL Home Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	How the matter was addressed in our audit
Impairment of loans as at the balance sheet date (including determination of expected credit losses) (as described in note 3 (j) of the Ind AS financial statements)	
The Company provide for impairment of its loans using the Expected Credit Loss ("ECL") model. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Company's loans. In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative factors for 'significant increase in credit risk' ("SICR") and 'default'. b) Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default, loss given default and exposure at default ; c) Determining effect of less frequent past events on future probability of default. d) Determining macro-economic factors impacting credit quality of loans. In view of the high degree of management's judgement involved in estimation of ECL, impairment of loans as at the balance sheet date (including expected credit losse) is a key audit matter.	Our audit procedures included the following: • Considered the Company's accounting policies for impairment of loans and assessed compliance of the policies with Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines, ("the RBI Guidelines"). • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage or 3 (i.e. the default in repayment is more than 90 days). • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed the adequacy of disclosures included in the financial statements with the relevant requirements of Ind AS 107 and 109.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

Independent Auditor's Report (Contd..)

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the one of the joint auditors i.e. Suresh Surana & Associates LLP and one of the predecessor auditors i.e. M. P. Chitale & Co. who expressed an unmodified opinion on those standalone financial statements vide their report dated April 24, 2023.

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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

Independent Auditor's Report (Contd..)

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   - Refer Note 5 to the standalone financial statements

   iii. There has been no delay in transferring amounts, 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, other than as disclosed in the note 38B b.(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 38B b.(i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

   vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFG3152

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAP4841

Place: Mumbai
Date: 6 May 2024

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Re: IIFL Home Finance Limited

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.

(i) (a) (B) The Company has maintained proper records showing full particulars of Intangibles Assets recognized in the financial statements.

(i) (b) In our opinion, the Company's program of verifying Property, Plant and Equipment including Right of Use Assets once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment, including Right of Use Assets, was carried out by the management during the current year and on the basis of explanations received no material discrepancies were noticed during the verification.

(i) (c) The title deeds of all the immovable properties classified as Property, Plant and Equipment,(other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(i) (e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii) (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The revised quarterly returns or statements for the quarters ended June 2023, September 2023 and December 2023 filed by the Company during the year with such banks or financial institutions are in agreement with books of account. Further, in respect of quarter ended March 2024, the return has been filed based on the provisional financial statements.

(iii) (a) Since, the Company's principal business is to give loans and accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are, prima facie, not prejudicial to the Company's interest.

(iii) (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.

Further, except for 33,931 instances having amount outstanding of ₹ 2,330.26 crs and overdue amount of ₹ 76.01 crs as at March 31, 2024 where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(iii) (d) In respect of loans and advances in the nature of loans, the total amount of cases which are overdue for more than ninety days as at March 31, 2024 is ₹ 340.91 crs and the number of such cases are 6,632. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii) (e) Since, the Company's principal business is to give loans and accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date **(Contd..)**

to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. The provisions relating to sales tax, service tax, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues as applicable to the Company, which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the disputed dues	Amount under dispute (₹ in crores)	Amount paid* (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7.28	7.28#	F.Y. 2019-20	CIT (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	0.76	0.04	F.Y. 2017-18	Commissioner of Appeals- Delhi

* paid under protest

adjusted against refund

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix) (b) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender during the year.

(ix) (c) Money raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been prima facie used for long-term purposes during the year by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd..)

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any associate or joint venture.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not raised money by way of private placement of shares during the year ended March 31, 2024.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year except as reported in note no. 44.9 of the standalone financial statement of the Company.

(xi) (b) During the year and up to the date of this report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by predecessor auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(xvi) (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year or the immediately preceding financial year.

(xviii) One of the predecessor joint statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFC (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd..)

(xix) On the basis of the financial ratios disclosed in note 38B. (g) to the financial statements, 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 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) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the "Act"), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38A to the financial statements.

(xx)(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act. This matter has been disclosed in note 38A to the financial statements.

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFG3152

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAP4841

Place: Mumbai
Date: 6 May 2024

Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls with reference to the standalone financial statements of IIFL Home Finance Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements ("financial statements") of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

IIFL Home Finance Ltd. | Financial Highlights | Value Creation | Digital Strength | ESG Commitments | Human Capital | Greener Future | Social Well-Being | Robust Governance | Risk Management | Statutory Reports | Financial Statements

Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date (Contd..)

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 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 issued by the ICAI.

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFG3152

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAP4841

Place: Mumbai
Date: 6 May 2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in Crores)

Sr. no.	Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial Assets**			
	(a) Cash and cash equivalents	4A	771.15	1,628.26
	(b) Bank balance other than (a) above	4B	299.23	359.29
	(c) Derivative financial instruments	5	-	41.99
	(d) Receivables	6		
	(I) Trade receivables		47.94	40.59
	(e) Loans	7	23,140.48	17,734.29
	(f) Investments	8	582.13	1,427.24
	(g) Other financial assets	9	486.44	452.36
(2)	**Non-financial Assets**			
	(a) Current tax assets (net)		18.78	11.46
	(b) Deferred tax Assets (net)	10	31.46	45.62
	(c) Investment property	11A	2.16	2.29
	(d) Property, plant and equipment	11B	7.42	7.65
	(e) Intangible asset under development	12	0.34	0.11
	(f) Other intangible assets	13A	0.56	0.44
	(g) Right of use assets	13B	38.55	27.78
	(h) Other non-financial assets	14	7.67	5.81
	Total Assets		25,434.31	21,785.18
	LIABILITIES AND EQUITY			
(1)	**Financial Liabilities**			
	(a) Derivative financial instruments	5	2.61	-
	(b) Payables	15		
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		3.12	3.01
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		70.61	47.94
	(c) Lease liabilities	12A	40.77	29.72
	(d) Debt securities	16	3,613.04	2,254.22
	(e) Borrowings (other than debt securities)	17	13,033.19	11,620.67
	(f) Subordinated liabilities	18	1,037.38	1,078.31
	(g) Other financial liabilities	19	1,052.19	897.91
(2)	**Non-financial liabilities**			
	(a) Current tax liabilities (net)		4.85	16.01
	(b) Provisions	20	30.04	19.34
	(c) Other non-financial liabilities	21	99.11	264.85
(3)	**Equity**			
	(a) Equity share capital	22	26.34	26.34
	(b) Other equity	23	6,421.06	5,526.86
	Total Liabilities and Equity		25,434.31	21,785.18

The accompanying notes are an integral part of the standalone financial statements

As per our reports attached of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crores)

Sr. no.	Particulars	Note no.	FY 2023-24	FY 2022-23
(I)	Revenue from operations			
	(i) Interest income	24	2,916.86	2,297.53
	(ii) Dividend income	25	-	1.25
	(iii) Fees and commission income	26	187.84	114.47
	(iv) Net gain on fair value changes	27	4.47	59.65
	(v) Net gain on derecognition of financial instruments under FVTOCI	28.1	-	72.54
	(vi) Net gain on derecognition of equity shares under cost category		-	29.45
(I)	Total Revenue from operations		3,109.17	2,574.89
(II)	Other income	29	184.42	127.58
(III)	Total Income (I+II)		3,293.59	2,702.47
	Expenses			
	(i) Finance costs	30	1,327.78	1,182.09
	(ii) Net loss on derecognition of financial instruments under FVTOCI	28.1	1.03	-
	(iii) Impairment on financial instruments	31	116.64	138.05
	(iv) Employee benefits expenses	32	340.03	240.21
	(v) Depreciation, amortization and impairment	11A-13B	14.61	9.37
	(vi) Other expenses	33	165.29	109.86
(IV)	Total Expenses		1,965.38	1,679.58
(V)	Profit Before Tax (III-IV)		1,328.21	1,022.89
	Tax Expense:			
	(i) Current tax	34	272.55	227.05
	(ii) Deferred tax	10	28.90	6.29
	(iii) Adjustment of tax relating to earlier periods	34	(0.08)	(0.77)
(VI)	Total Tax Expense		301.37	232.57
(VII)	Profit for the year (V-VI)		1,026.84	790.32
(VIII)	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement gain/ (loss) of defined benefit liabilities/ (assets)		(0.83)	(0.48)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.21	0.12
	Subtotal (A)		(0.62)	(0.36)
	B (i) Items that will be reclassified to profit or loss			
	(a) Net movement on effective portion of cash flow hedge		(7.60)	16.83
	(b) Fair value of loans carried at fair value through other comprehensive income		(1.59)	(0.75)
	(ii) Income tax relating to items that will be reclassified to profit or loss		2.31	(4.05)
	Subtotal (B)		(6.88)	12.03
	Other Comprehensive Income (A+B)		(7.50)	11.67
(IX)	Total Comprehensive Income for the year (VII+VIII)		1,019.34	801.99
(X)	Earnings per equity share of face value ₹ 10 each	35		
	Basic (₹)		389.77	326.06
	Diluted (₹)		388.53	326.06

The accompanying notes are an integral part of the standalone financial statements

As per our reports attached of even date

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Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Standalone 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	1,328.21	1,022.89
Adjustments for:		
Depreciation and amortization	14.61	9.37
Impairment on financial instruments - loans	(128.48)	(3.60)
Finance costs	1,327.79	1,182.09
Interest on loans	(2,916.86)	(2,297.54)
Net (gain)/loss on derecognition of financial instruments	1.03	(72.54)
Net (gain)/loss on fair value changes	(25.76)	(59.65)
Net (gain)/loss on derecognition of equity shares under cost category	-	(29.45)
Net (gain)/loss on sale of assets	0.04	0.02
Interest paid on borrowings	(1,261.03)	(1,191.07)
(Gain)/loss on termination of lease	(0.72)	(0.06)
Interest received on loans	2,861.38	2,254.47
Dividend Income	-	(1.25)
Employee share based payment expenses	19.77	-
Operating Profit before Working Capital changes	**1,219.97**	**813.69**
Changes in Working Capital:		
Adjustments for (increase)/decrease in Other financial assets	(35.40)	(22.98)
Adjustments for (increase)/decrease in Trade receivables	(0.92)	(12.57)
Adjustments for (increase)/decrease in Other non financial assets	(2.36)	(2.02)
Adjustments for (increase)/decrease in Balances with banks - lien marked	0.05	0.47
Adjustments for (increase)/decrease in Loans	(5,227.60)	(2,388.80)
Adjustments for increase/(decrease) in Trade payables	22.78	0.13
Adjustments for increase/(decrease) in Other financial liabilities	154.28	(43.51)
Adjustments for increase/(decrease) in Other non-financial liabilities	(165.75)	211.02
Adjustments for increase/(decrease) in Provisions	9.87	4.91
Operating Profit after Working Capital changes	**(4,025.07)**	**(1,439.65)**
Direct Taxes Paid (net)	**(303.17)**	**(234.00)**
Cash from Operations	**(4,328.24)**	**(1,673.65)**
Net cash generated from/(used in) Operating Activities (A)	**(4,328.24)**	**(1,673.65)**
Cash flow from Investing Activities		
Purchase of property, plant and equipment (including intangible assets)	(5.20)	(6.63)
Proceeds from sale of property, plant and equipment	0.58	1.39
Proceeds from dividend income	-	1.25
Investment in Fixed deposits	(4,810.01)	(2,636.31)
Proceeds from redemption of Fixed deposits	4,871.08	2,710.62
Purchase of investments	(8,654.93)	(21,807.34)
Proceeds from sale of investments (including sale of investment in associate during the previous year)	9,522.32	20,858.43
Proceeds from sale of investment property	-	3.98
Net Cash from / (used in) Investing Activities (B)	**923.84**	**(874.61)**

Standalone Statement of Cash Flows

for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Cash flow from Financing Activities		
Proceeds from fresh issue of Equity shares including premium	-	2,200.00
Share issue expenses	-	(24.13)
Dividend paid	(144.90)	(105.38)
Proceeds from Borrowings	6,742.95	4,159.31
Repayment of Borrowings	(5,286.75)	(3,510.66)
Proceeds from issue of debt securities	1,390.00	330.00
Repayment of debt securities	(141.90)	(264.03)
Payment of interest on lease liabilities	(3.31)	(2.24)
Principal payment of lease liabilities	(8.79)	(5.08)
Net Cash from/(used in) Financing Activities (C)	**2,547.30**	**2,777.79**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(857.11)**	**229.53**
Cash and cash equivalents as at the beginning of the year	1,628.26	1,398.73
Cash and cash equivalents as at the end of the year	**771.15**	**1,628.26**
The accompanying notes are an integral part of the standalone financial statements		

As per our reports attached of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital*

1. As at March 31, 2024

(₹ in Crores)

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
26.34	-	-	-	26.34

* Refer Note 22

2. As at March 31, 2023

(₹ in Crores)

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
20.97	-	-	5.37	26.34

B. Other Equity

1. As at March 31, 2024

(₹ in Crores)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the current reporting year	2,969.65	143.86	561.07	1,837.62	-	5.57	9.09	5,526.86
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,969.65	143.86	561.07	1,837.62	-	5.57	9.09	5,526.86
Profit for the year	-	-	-	1,026.84	-	-	-	1,026.84
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note B)	-	-	-	-	-	(5.70)	-	(5.70)
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	(1.19)	(1.19)
Remeasurement of defined benefit (Net of Tax) (Refer Note C)	-	-	-	(0.62)	-	-	-	(0.62)
Total Comprehensive Income for the year	-	-	-	1,026.22	-	(5.70)	(1.19)	1,019.33
Additions during the year (Refer Note E)	-	-	-	-	19.77	-	-	19.77
Equity Dividend (Refer Note F)	-	-	-	(144.90)	-	-	-	(144.90)
Transfer to Special Reserve (Refer Note D)	-	-	205.40	(205.40)		-	-	-
Balance at the end of the Current reporting year	2,969.65	143.86	766.47	2,513.54	19.77	(0.13)	7.90	6,421.06

Standalone Statement of Changes in Equity

for the year ended March 31, 2024 (Contd..)

2. As at March 31, 2023

(₹ in Crores)

Particulars	Reserves and Surplus							Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	799.16	143.86	402.97	1,311.13	-	(7.03)	9.65	2,659.74
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	799.16	143.86	402.97	1,311.13	-	(7.03)	9.65	2,659.74
Profit for the year	-	-	-	790.32	-	-	-	790.32
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note B)	-	-	-	-	-	12.60	-	12.60
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	(0.56)	(0.56)
Remeasurement of defined benefit (Net of Tax) (Refer Note C)	-	-	-	(0.36)	-	-	-	(0.36)
Total Comprehensive Income for the year	-	-	-	789.97	-	12.60	(0.56)	802.00
Addition (Refer Note A)	2,194.62							2,194.62
Share issue expenses	(24.13)							(24.13)
Equity Dividend (Refer Note F)	-	-	-	(105.38)	-	-	-	(105.38)
Transfer to Special Reserve (Refer Note D)	-	-	158.10	(158.10)	-	-	-	-
Balance at the end of the Previous reporting year	2,969.65	143.86	561.07	1,837.62	-	5.57	9.09	5,526.86

A. During the year ended March 31, 2023, the Board of Directors of the Company at its meeting held on August 22, 2022 approved the allotment of 5,376,457 fully paid-up equity shares of ₹ 10/- each at a premium of ₹ 4,081.91/- per share to a wholly owned subsidiary of Abu Dhabi Investment Authority i.e. Platinum Owl C 2018 RSC Limited, acting in its capacity as the trustee of Platinum Jasmine A 2018 Trust ("Investor") for an aggregate consideration of ₹ 2,200 Crores. The investor holds 20% of the share capital (calculated on a fully diluted basis) of the Company. Share issue expenses incurred aggregating to ₹ 24.13 Crores has been charged to securities premium account.

Statement of Changes in Equity

for the year ended March 31, 2024 (Contd..)

B. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

C. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.

D. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

E. The Share Option Outstanding Account represents reserve created in respect of equity settled share options granted to the employees of the Company.

F. During the year, the Board of Directors of the Company has declared and paid interim dividend of ₹ 55 per equity share (P.Y. ₹ 40/-).

The accompanying notes are an integral part of the standalone financial statements

As per our reports attached of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number:
121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Gaurav Seth
Chief Financial Office
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024

Note 1. CORPORATE INFORMATION

(a) Company overview

IIFL Home Finance Limited ("IIFL HFL"/ "the Company") (CIN No. U65993MH2006PLC166475), is a subsidiary of IIFL Finance Limited. IIFL HFL received a Certificate of Registration from the National Housing Bank ("NHB") in February 2009 to carry on the business of a housing finance institution. IIFL HFL offers housing finance in line with RBI Master Direction - Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time . The Company is classified under "Middle Layer" pursuant to Scale Based Regulations prescribed by the RBI vide its Circular Ref. No. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 read with Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale based Regulation) Directions, 2023 dated October 19, 2023, as amended from time to time. The redeemable and Non-Convertible debentures of the company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company's registered office is at Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400604.

Note 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

(b) Basis of Preparation

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

Accounting policies have been consistently applied except where a newly issued Accounting Standards is initially adopted or a revision to an existing Accounting Standards requires a change in the accounting policy hitherto in use.

(c) Presentation of financial statements

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

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

(d) Basis of measurements

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

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

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

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

(e) Use of estimates and judgments

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

i. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

ii. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.
- Creation of additional management overlay to reflect among other things an increased risk of deterioration in performance of pool of specific assets.

iii. Effective interest rate computation

a. On Financial Assets

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received/paid), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost which are directly attributable. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the company at each reporting date and material changes, if any are given effect to.

b. On Financial Liabilities:

Computation of effective interest rate involves significant estimates and judgements with respect to borrowings tenure, nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost which are directly attributable.

iv. Fair Value Measurements

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

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

v. Taxes

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

Deferred tax: Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

vi. Provisions and contingencies

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

vii. Defined Benefit Plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value of share-based payments: Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black-Scholes model.

Note 3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Revenue recognition

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

i. Interest income and dividend income

Interest income on financial instruments measured at amortised cost/Fair value through other comprehensive income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable except for financial assets which are credit impaired. Interest income on pool of loan accounts which are assigned is recognised net off interest payable to assignees on the assigned pool of loan accounts.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument adjusted for its past behaviour pattern.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is recognised on receipt basis..

Penal Interest are recognised as income on realisation.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc. are recognised on realisation.

iii. Net gain /(loss)on fair value changes

Net gain /(loss) on fair value changes includes gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Other Income

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

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

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at cost of acquisition, if any, less accumulated depreciation and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

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

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

Projects under which PPE assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset) is included in Statement of Profit or Loss in the period in which the Investment property is derecognised.

(e) Depreciation and Amortisation

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset. 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
Investment property Real Estate*	60 years / 30 years	20 years
Computers	3 years	3 years
Office equipment	5 years	5 years
Electrical Equipment*	10 years	5 years
Furniture and fixtures*	10 years	5 years
Vehicles*	8 years	5 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets i.e. Software are amortised on straight-line basis over the estimated useful life of 3 years.

(f) Impairment of Assets other than financials assets

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use.

Notes forming part of Standalone Financial Statements
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If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

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

(g) Employee benefits

i. Share based payments

The Company operates Employee Stock Option Scheme ('the Scheme') which provides for the grant of options to acquire equity shares of the Company to its employees and others providing similar services. The options granted to employees vest in a graded manner and these may be exercised by the employees within a specified period.

These equity-settled share based payments to employees are measured at the fair value of the equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity stock options that will eventually vest, with a corresponding increase in other equity (Share option outstanding account). The fair value of options is estimated using valuation techniques, which incorporate exercise price, term, risk-free interest rates, the current share price, its expected volatility etc.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share option outstanding account.

On cancellation or lapse of option granted to employees, the employee stock option cost charged to statement of profit & loss is credited with corresponding decrease in other equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii. Defined contribution plans

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

iii. Short term employee benefits

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

iv. Defined benefit plans

Post-employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Statement of Profit and Loss.

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

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

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

(h) Leases

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

As a lessee

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

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

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

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

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

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

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

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

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

(i) Taxes on income

Current tax

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

Deferred tax

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

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

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

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

(j) Financial instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. 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.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

Financial assets

Classification and Subsequent measurement

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

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial Assets measured at amortised cost

Financial assets that meet the following criteria are measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial Assets measured at fair value through other comprehensive income ("FVTOCI")

Financial Assets that meet the following criteria are measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of profit or loss for FVTOCI financial assets. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit or Loss.

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Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss.

Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments.

All equity investments in scope of Ind AS 109 are measured at fair value and classified as at FVTPL.

Impairment of financial assets

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

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The company has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the life of the financial instruments.

Based on the above process, the company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2/ Stage 3 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Company records an allowance for the life time expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans shows significant increase in credit risk and are considered credit-impaired, the company records an allowance for the life time expected credit losses.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed as EAD*PD*LGD which takes into account historical credit loss experience and forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is the maximum exposure as on the reporting date. It includes principal, interest and sanctioned but undisbursed amount (with certain exceptions for Stage 3 & SICR cases). Interest also includes interest accrued but not due.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognised and is still in the portfolio. PD is calculated based on historical default rate summary of past years using historical analysis.
- Loss given default ("LGD") estimates the loss which Company incurs post customer default. It is computed using historical loss, recovery experience and value of collateral. It is usually expressed as a percentage of the Exposure at default ("EAD").

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the company measures the loss allowance based on lifetime rather than 12-month ECL.

In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL is based on both qualitative and quantitative indicators such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit-impaired) for ECL calculations and upgraded to Stage 1 only on the event of clearance of all overdue of the customer.

Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Company assesses whether this modification results in derecognition.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under assignment arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company assesses the derecognition test where the Company has transferred its rights to receive cash flows fro m an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Assignment transactions

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e. retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognised and gains/losses are accounted for, only if the company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding loan is derecognised from the Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the estimated life of the asset) is recognised on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

Securitisation transactions

In case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets. The Company continues to recognise the entire loan and also recognises a collateralised borrowing for the proceeds received.

Write-off

Financial assets are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in credit to impairment on financial instrument.

Financial liabilities and equity Instruments

Financial liability and equity instruments that are issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are recognised initially at fair value net of transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial liabilities except fair value in the case of financial liabilities recorded at fair value through profit or loss

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting financial instruments: Financial assets and financial liabilities are offset and the net amount is reported in the interim balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instrument

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether

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the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in statement of profit and loss.

(l) Investments in Subsidiaries and Associates

Investments in Subsidiaries and Associates are measured at cost as per Ind AS 27 – Separate Financial Statements.

(m) Cash and cash equivalents

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

(n) Goods and service tax input credit

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

(o) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

(p) Foreign currencies

In preparing the financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

(q) Segment reporting

The Managing Director (MD) of the Company has been identified as the chief operating decision maker (CODM) as defined in the Ind AS 108 "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; 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

a. possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

b. present obligation that arises from past events but is not recognized because;

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

ii. the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(s) Commitments

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

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.

(t) Earnings per share

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

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

(u) Statement of Cash Flows

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

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- 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.

(v) Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in Other Equity.

(vi) Recent Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023. The material pronouncement has been disclosed as below:

Ind AS 1 Presentation of Financial Statements: The amendments require the Company to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of Restated Summary Statements. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Restated Summary Statement.

Ind AS 12 Income taxes: The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 4A. Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	1.56	1.54
Cheques on hand	1.22	105.73
Balance with banks		
- In current accounts	268.17	82.64
- In deposit accounts (original maturity less than or equal to three months)	500.20	1,438.35
Cash and cash equivalents	771.15	1,628.26

Note 4B. Bank balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Other bank balances		
In earmarked accounts		
- Unclaimed interest and redemption proceeds of NCDs	4.64	4.70
In deposit accounts (refer note 4B.1 below)	294.59	354.59
Total	299.23	359.29

Note 4B.1 Out of the deposit accounts shown above:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Lien marked towards overdraft facilities	166.54	157.24
Lien marked towards other commitments	47.23	15.42
Margin for credit enhancement	80.80	80.68
Total	294.57	253.34

Note 5. Derivatives financial instruments

(₹ in Crores)

Part I	As at March 31, 2024				As at March 31, 2023			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilites)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
(i) Currency derivatives:								
- Cross currency interest rate swaps	413.10	-	4.26	(4.26)	363.08	44.02	-	44.02
Subtotal (i)	413.10	-	4.26	(4.26)	363.08	44.02	-	44.02
(ii) Other derivatives								
- Forward contract	1,092.46	1.65	-	1.65	968.75	-	2.03	(2.03)
Subtotal (ii)	1,092.46	1.65	-	1.65	968.75	-	2.03	(2.03)
Total derivative (i+ii)	1,505.56	1.65	4.26	(2.61)	1,331.83	44.02	2.03	41.99

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Part II	As at March 31, 2024				As at March 31, 2023			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilites)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilites)
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
- Currency derivatives	413.10	-	4.26	(4.26)	363.08	44.02	-	44.02
- Forward contract	1,092.46	1.65	-	1.65	-	-	-	-
(ii) Undesignated derivatives								
- Forward contract	-	-	-	-	968.75	-	2.03	(2.03)
Total derivative financial instruments (i+ii)	**1,505.56**	**1.65**	**4.26**	**(2.61)**	**1,331.83**	**44.02**	**2.03**	**41.99**

Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk. Refer Note 5.1 and 39 A.3(II).

(₹ in Crores)

Particulars	Total		Exchange traded		Over the counter	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
As at March 31, 2024						
Derivative asset	-	1.65	-	-	-	1.65
Derivative liabilities	-	4.26	-	-	-	4.26
Net Derivative Asset / (Liabilites)	1,505.56	(2.61)	-	-	1,505.56	(2.61)
As at March 31, 2023						
Derivative asset	-	44.02	-	-	-	44.02
Derivative liabilities	-	2.03	-	-	-	2.03
Net Derivative Asset / (Liabilites)	**1,331.83**	**41.99**			**1,331.83**	**41.99**

5.1 Hedging activities and derivatives

5.1.1 Derivatives designated as hedging instruments

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts and cross currency interest rate swaps.

The Company is exposed to interest rate risk arising from its foreign currency borrowings amounting to USD 18.16 Crs. (March 31, 2023 USD 16.79 Crs.). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Company hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' cross currency interest rate swap and also with a Derivative Forward Contract

The Company uses Cross Currency Interest Rate Swaps (IRS) Contracts (Floating to Fixed) and Forward Exchange Contracts to hedge its risks associated with interest rate and currency fluctuations arising from foreign currency loans / external commercial borrowings. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS. These contracts are stated at fair value at each reporting date.

The Company uses Critical Terms Matching to determine Hedge effectiveness. If the hedge is ineffective, then the movement in the Fair Value is charged to the Statement of Profit and Loss. If the hedge is effective, the movement in the Fair Value of the underlying and the derivative instrument is transferred to "Other Comprehensive Income" in Other Equity.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

There is an economic relationship between the hedged item and the hedging instrument as the critical terms of the Forward contracts/ Cross Currency Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency interest rate swaps are identical to the hedged risk components.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Notional amount	1,505.56	1,331.83
Carrying amount - Asset / (Liability)	(2.61)	41.99
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument
Change in fair value used for measuring ineffectiveness for the year	(5.70)	10.04

(₹ in Crores)

Impact of hedging item	FY 2023-24	FY 2022-23
Change in fair value	(5.70)	10.04
Cash flow hedge reserve	(5.70)	12.60
Fair value change charged in Statement of Profit & Loss	-	(2.56)

(₹ in Crores)

Effect of Cash flow hedge	FY 2023-24	FY 2022-23
Total hedging gain / (loss) recognised in OCI	(5.70)	12.60
Total hedging gain / (loss) recognised in the statement of profit or (loss)	-	(2.56)

(₹ in Crores)

Hedging gain / (loss) recognised in OCI	FY 2023-24	FY 2022-23
(Gain)/Loss On Swap Transaction	56.13	49.60
(Gain)/Loss On Mark To Market On Fluctuation Of Foreign Exchange	(48.52)	(32.76)
Tax implication on above	(1.91)	(4.24)
Total	**5.70**	**12.60**

(₹ in Crores)

Hedging gain / (loss) recognised in the statement of profit or (loss)	FY 2023-24	FY 2022-23
Gain/(Loss) On Swap Transaction	-	(0.53)
Gain/(Loss) On Mark To Market On Fluctuation Of Foreign Exchange	-	(2.03)
Tax implication on above	-	-
Total	**-**	**(2.56)**

Note 6. Receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade receivables		
Receivables considered good - unsecured	47.78	40.51
Receivables which have significant increase in credit risk	0.20	0.10
Receivables - credit impaired	-	6.45
Total - gross	**47.98**	**47.06**
Less: Impairment loss allowance		
Receivables which have significant increase in credit risk	(0.04)	(0.02)
Receivables - credit impaired	-	(6.45)
Total	**47.94**	**40.59**

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.

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Trade Receivables aging schedule

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months -1 Years	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2024							
Undisputed Trade receivables – considered good	10.98	36.80	-	-	-	-	47.78
Undisputed Trade receivables – significant increase in credit risk	-	0.03	0.15	0.02			0.20
Undisputed Trade receivables – credit impaired	-	-	-				-
As at March 31, 2023							
Undisputed Trade receivables – considered good	2.34	38.17	-				40.51
Undisputed Trade receivables – significant increase in credit risk	-	0.06	0.04				0.10
Undisputed Trade receivables – credit impaired	-	-	6.45				6.45

Less than 6 months include ₹ 36.60 crores (as at March 31, 2023 ₹ 27.69 crores) which are not due.

Note 7. Loans

(₹ in Crores)

Particulars	As at March 31, 2024		
	Amortised cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	19,683.16	3,828.32	23,511.48
Total (A) - Gross	**19,683.16**	**3,828.32**	**23,511.48**
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (A) - Net	**19,329.63**	**3,810.85**	**23,140.48**
(B)			
(i) Secured by tangible assets	19,619.74	3,828.32	23,448.06
(ii) Secured by Government Guarantee	57.30	-	57.30
(iii) Unsecured	6.12	-	6.12
Total (B) - Gross	**19,683.16**	**3,828.32**	**23,511.48**
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (B) - Net	**19,329.63**	**3,810.85**	**23,140.48**
(C)			
(I) Loans in India	19,683.16	3,828.32	23,511.48
(i) Public sector	-	-	-
(ii) Other than Public sector	19,683.16	3,828.32	23,511.48
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (C) -(I) Net	**19,329.63**	**3,810.85**	**23,140.48**
(II) Loans outside India			
Less: Impairment loss allowance	-	-	-
Total (C) (II)	-	-	-
Total C (I) and C (II)	**19,329.63**	**3,810.85**	**23,140.48**

(₹ in Crores)

Particulars	As at March 31, 2023		
	Amortised cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	15,373.84	2,854.50	18,228.34
Total (A) - Gross	**15,373.84**	**2,854.50**	**18,228.34**
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (A) - Net	**14,905.10**	**2,829.19**	**17,734.29**
(B)			
(i) Secured by tangible assets	15,223.83	2,853.78	18,077.61
(ii) Secured by Government Guarantee	144.39	0.72	145.11
(iii) Unsecured	5.62	-	5.62
Total (B) - Gross	**15,373.84**	**2,854.50**	**18,228.34**
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (B) - Net	**14,905.10**	**2,829.19**	**17,734.29**
(C)			
(I) Loans in India	15,373.84	2,854.50	18,228.34
(i) Public sector	-	-	-
(ii) Others	15,373.84	2,854.50	18,228.34
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (C) - Net	**14,905.10**	**2,829.19**	**17,734.29**
(II) Loans outside India			
Less: Impairment loss allowance	-	-	-
Total (C) (II)	**-**	**-**	**-**
Total C (I) and C (II)	**14,905.10**	**2,829.19**	**17,734.29**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

The above Term Loans includes ₹ 229.19 Crores. (as at March 31, 2023, ₹ 172.98 Crores.) towards interest accrued and overdues, unamortised processing fee, gain/loss on modification of financial assets and gain/loss on FVTOCI.

a. Secured loans given to customers are secured by equitable mortgage of property. Loans secured by Government Guarantee are credit facilities provided under the Emergency Credit Line Guarantee Scheme backed by an unconditional and irrevocable guarantee provided by Government of India.

b. Unsecured represents amount where in the exposure exceeds the collateral value.

Note 7.1:

The Company has not granted any loans or advances in the nature of loans, to promoters, Directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are either repayable on demand or without specifying any terms or period of repayment during the year.

Note 8. Investments

(₹ in Crores)

Particulars	As at March 31, 2024			
	FVTPL	At Amortised Cost	At Cost	Total
(A)				
(i) Investments in Government Securities	50.89	-	-	50.89
(ii) Investments in Debt Securities	241.21	75.93	-	317.14
(iii) Investment in Subsidiary	-	-	0.05	0.05
(iv) Investment in Others:				
(a) Pass through cetificates	-	6.20	-	6.20
(b) Commercial Papers	-	99.35	-	99.35
(c) Security receipts	109.50			109.50
Total – Gross (A)	**401.60**	**181.48**	**0.05**	**583.13**
(B)				
(i) Investments in India	401.60	181.48	0.05	583.13
Total (B)	**401.60**	**181.48**	**0.05**	**583.13**
(C)				
Less: Impairment loss allowance	-	(1.00)	-	(1.00)
Total- Net (A-C)	**401.60**	**180.48**	**0.05**	**582.13**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2023 FVTPL	At Amortised Cost	At Cost	Total
(A)				
(i) Investments in Debt Securities	210.13	-	-	210.13
(ii) Investments in Subsidiary	-	-	0.05	0.05
(iii) Investment in Others:				
(a) Alternate Investment Funds	161.44	-	-	161.44
(b) Pass through certificates	-	7.61	-	7.61
(c) Certificate of Deposits		650.59	-	650.59
(d) Commercial Papers		397.42	-	397.42
Total – Gross (A)	**371.57**	**1,055.62**	**0.05**	**1,427.24**
(B)				
(i) Investments in India	371.57	1,055.62	0.05	1,427.24
Total (B)	**371.57**	**1,055.62**	**0.05**	**1,427.24**
(C)				
Less: Impairment loss allowance	-	-	-	-
Total- Net (A-C)	**371.57**	**1,055.62**	**0.05**	**1,427.24**

Note 8.1 Investment Details Script Wise

(₹ in Crores)

Particulars	As at March 31, 2024 Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.24
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.34
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	26.55
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	6.30
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.71
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.77
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.78
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	26.14
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	26.39
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FVRS1LAC	5,000	50.99
Total		**241.21**
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV ₹ 1 Lac	4,240	44.98
Vatika Limited - 16.55 NCD FV ₹ 1 Lac	2,873	30.95
Total		**75.93**
Investments in Subsidiary		
Equity Instrument of IIHFL Sales Limited	50,000	0.05
Investment in Other securities:		
Investment in Security Receipts		
RARE ARC 06803	10,95,000	109.50
Investment in Government Securities		
7.18% G.S. 2033	50,00,000	50.89
Pass through cetificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	6.20
Commercial Papers:		
Deutsche Investments India Private Limited 162D CP 30Apr24	1,000	49.66
National Bank For Agriculture And Rural Development 91D CP 30Apr24	1,000	49.69
Total		**99.35**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2023 Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.25
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May23 FV ₹ 2.5Lac	250	6.31
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.16
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.15
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	25.21
Total		**210.13**
Investments in Subsidiary		
Equity Instrument of IIHFL Sales Limited	50,000	0.05
Investment in Other securities:		
Alternate Investment Funds		
IIFL One Value Fund Series B	13,43,13,931	161.44
Pass through cetificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	7.61
Certificate of Deposits:		
Axis Bank Limited CD 15May23	500	24.79
Bank of Maharashtra CD 05Apr23	2,000	99.92
Bank of Maharashtra CD 12May23	1,000	49.60
Canara Bank CD 17Apr23	2,000	99.69
HDFC Bank Limited CD 13Apr23	2,000	99.77
HDFC Bank Limited CD 15May23	1,600	79.33
Punjab National Bank CD 18May23	2,000	99.09
Punjab National Bank CD 23Jun23	2,000	98.40
Total		**650.59**
Commercial Papers:		
National Bank For Agriculture And Rural Development 90D CP 20Apr23	6,000	298.87
Small Industries Development Bank of India 91D CP 16Jun23	2,000	98.55
Total		**397.42**

Note 9. Other financial assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits		
- Unsecured, considered good	3.64	2.40
- Unsecured, which have significant increase in credit risk	0.76	0.92
Less: Impairment loss allowance (Refer Note 9.1 below)	(0.76)	(0.92)
Interest strip asset on assignment	374.55	375.59
Other receivables	108.25	74.37
Total	**486.44**	**452.36**

Note 9.1. Provision on Security Deposits

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening provision	0.92	0.80
Additions	0.04	0.13
Reductions	(0.18)	(0.01)
Closing provision	**0.76**	**0.92**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 10. 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:				
Property, Plant and Equipment	0.63	0.12	-	0.75
Expected credit losses	127.22	(33.59)	-	93.63
Provision for employee benefits	2.52	1.52	0.21	4.25
Lease liabilities	7.66	2.86	-	10.52
Adjustment pertaining to income and expenses recognition based on effective interest rate	26.83	4.13	-	30.96
Fair value of financial instruments			0.40	0.40
Fair value of derivative financial instruments	(11.20)	-	14.13	2.93
Total deferred tax assets (A)	**153.66**	**(24.96)**	**14.74**	**143.44**
Deferred tax liabilities:				
Interest strip asset on assignment	(94.54)	0.25	-	(94.29)
Fair value of financial instruments	(6.50)	(1.49)	-	(7.99)
Right of use of Assets	(6.99)	(2.71)	-	(9.70)
Total deferred tax liabilities (B)	**(108.03)**	**(3.95)**	**-**	**(111.98)**
Deferred tax assets (A+B)	**45.63**	**(28.91)**	**14.74**	**31.46**

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	0.64	(0.01)	-	0.63
Expected credit losses	128.13	(0.91)	-	127.22
Provision for employee benefits	1.62	0.78	0.12	2.52
Fair value of derivative financial instruments	-	-	-	-
Right of use of Assets and lease liabilities	0.60	0.06	-	0.66
Adjustment pertaining to income and expenses recognition based on effective interest rate	20.17	6.66	-	26.83
Total deferred tax assets (A)	**151.16**	**6.58**	**0.12**	**157.86**
Deferred tax liabilities:				
Provision for Bad and Doubtful debts under section 36(1)(viia)	(8.83)	8.83	-	-
Interest strip asset on assignment	(76.28)	(18.26)	-	(94.54)
Fair value of financial instruments	(3.23)	(3.44)	0.17	(6.50)
Fair value of derivative financial instruments	1.27	-	(12.47)	(11.20)
Total deferred tax liabilities (B)	**(87.07)**	**(12.87)**	**(12.30)**	**(112.24)**
Deferred tax assets (A+B)	**64.09**	**(6.29)**	**(12.18)**	**45.62**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 11A. Investment Property

(₹ in Crores)

Particulars	Building
As at March 31, 2022	**7.48**
Additions	-
Deductions/Adjustments	4.73
As at March 31, 2023	**2.75**
Additions	-
Deductions/Adjustments	-
As at March 31, 2024	**2.75**
Accumulated Depreciation	
As at March 31, 2022	**0.85**
Depreciation for the year	0.36
Deductions/Adjustments	0.75
As at March 31, 2023	**0.46**
Depreciation for the year	0.13
Deductions/Adjustments	-
As at March 31, 2024	**0.59**
Net Block as at March 31, 2023	**2.29**
Net Block as at March 31, 2024	**2.16**

Note 11A.1. Reconciliation of changes in the fair value of the Investment Property

(₹ in Crores)

Particulars	Building
As at March 31, 2022	**8.78**
Additions to fair value	-
Changes in the fair value (including sale)	5.10
As at March 31, 2023	**3.68**
Additions resulting from Acquisition	-
Changes in the fair value	0.22
As at March 31, 2024	**3.90**

The Fair Value of the Investment Property has been arrived on the basis of valuation carried out by an independent un-registered Valuer. The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

Note 11A.2. Title deeds of Immovable Property not held in name of the Company

As at March 31, 2024

(₹ in Crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Acquired in the SARFAESI Proceedings

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

As at March 31, 2023

(₹ in Crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Acquired in the SARFAESI Proceedings

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

Note 11B. Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land*	Furniture & Fixture	Office Equipment	Electrical Equipment	Computers	Vehicles	Total
As at March 31, 2022	**0.09**	**1.53**	**0.95**	**0.78**	**10.26**	**-**	**13.61**
Additions	-	0.22	0.15	0.64	4.21	0.69	5.91
Deductions/Adjustments	-	0.08	0.01	0.04	2.12	-	2.25
As at March 31, 2023	**0.09**	**1.67**	**1.09**	**1.38**	**12.35**	**0.69**	**17.27**
Additions	-	0.62	0.25	0.45	3.77	-	5.08
Deductions/Adjustments	-	0.31	0.08	0.15	2.39	-	2.93
As at March 31, 2024	0.09	1.98	1.26	1.68	13.73	0.69	19.42
Accumulated Depreciation							
As at March 31, 2022	-	0.95	0.63	0.51	4.97	-	7.06
Depreciation for the year	-	0.26	0.15	0.21	2.74	0.05	3.41
Deductions/Adjustments	-	0.07	0.01	0.04	0.73	-	0.85
As at March 31, 2023	-	1.14	0.77	0.68	6.98	0.05	9.62
Depreciation for the year	-	0.35	0.17	0.27	3.36	0.14	4.29
Deductions/Adjustments	-	0.23	0.04	0.08	1.55	-	1.91
As at March 31, 2024	-	1.26	0.90	0.87	8.79	0.19	12.00
Net Block as at March 31, 2023	**0.09**	**0.53**	**0.32**	**0.70**	**5.37**	**0.64**	**7.65**
Net Block as at March 31, 2024	0.09	0.72	0.36	0.81	4.94	0.50	7.42

* The above Freehold Land is hypothecated with Debenture Trustee(s) for issue of secured non-convertible debentures.

Note 12. Intangible asset under development

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	0.11	-
Additions during the year	0.34	0.11
Capitalised during the year	0.11	-
Closing balance	0.34	**0.11**

Ageing schedule

(₹ in Crores)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.34	-	-	-	0.34
Projects temporarily suspended	-	-	-	-	-

(₹ in Crores)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.11	-	-	-	0.11
Projects temporarily suspended	-	-	-	-	-

No projects were delayed for completion or had exceeded its cost compared to its original plan.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 13A. Other Intangible Assets

(₹ in Crores)

Particulars	Computer Software
As at March 31, 2022	**1.22**
Additions	0.47
Deductions/Adjustments	-
As at March 31, 2023	**1.69**
Additions	0.45
Deductions/Adjustments	-
As at March 31, 2024	2.14
Accumulated Depreciation	
As at March 31, 2022	**1.04**
Depreciation For the year	0.21
Deductions/Adjustments	-
As at March 31, 2023	**1.25**
Depreciation For the year	0.33
Deductions/Adjustments	-
As at March 31, 2024	1.58
Net Block as at March 31, 2023	**0.44**
Net Block as at March 31, 2024	0.56

The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.

Note 13B. Leases

Statement showing movement in lease liabilities

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at March 31, 2022	**16.38**	**1.00**	**17.38**
Additions	14.91	3.28	18.18
Deductions/Adjustments	0.70	0.06	0.76
Finance cost accrued during the year	2.05	0.18	2.24
Payment of lease liabilities	6.47	0.85	7.32
As at March 31, 2023	**26.17**	**3.55**	**29.72**
Additions	21.56	1.81	23.37
Deductions/Adjustments	3.45	0.08	3.53
Finance cost accrued during the year	2.97	0.34	3.31
Payment of lease liabilities	10.43	1.67	12.10
As at March 31, 2024	36.82	3.95	40.77

Statement showing carrying value of right of use assets

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at March 31, 2022	**14.50**	**0.95**	**15.45**
Additions	15.16	3.28	18.44
Deductions/Adjustments	0.65	0.07	0.72
Depreciation	4.63	0.76	5.39
As at March 31, 2023	**24.38**	**3.40**	**27.78**
Additions	**21.56**	**1.81**	**23.37**
Deductions/Adjustments	2.67	0.07	2.74
Depreciation	8.46	1.40	9.86
As at March 31, 2024	34.81	3.74	38.55

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	10.56	6.28
Non- Current lease liabilities	30.21	23.44

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

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	13.61	8.55
One year to Two years	9.29	8.03
Two to Five years	17.66	13.67
More than Five years	11.06	7.33
Total	51.62	37.58

Statement showing amount recognised in Statement of Profit and Loss:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	3.31	2.24
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.15	0.21
Total	3.46	2.45

Statement showing amount recognised in Statement of Cash Flows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Payment of interest on lease liabilities	3.31	2.24
Payment of lease liabilities	8.79	5.08
Total cash outflows for leases	12.10	7.32

Note 14. Other Non Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	0.06	0.20
Prepaid Expenses	5.39	3.59
Advances to vendors	2.20	2.01
Staff advances	0.02	0.01
Total	7.67	5.81

Note 15. Trade Payables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 15A)	3.12	3.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	70.61	47.94
Total	73.73	50.95

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 15A. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

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

(₹ in Crores)

Particulars	FY 2023-2024	FY 2022-2023
(a) Principal amount remaining unpaid to any supplier at the year end	3.12	3.01
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

No interest has been paid / is payable by the Company during the year to the Suppliers registered under this Act.

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

Trade Payables aging schedule

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction					Total
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More then 3 years	
As at March 31, 2024						
(i) Total outstanding dues of micro enterprises and small enterprises	3.08	0.04	-	-	-	3.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	59.64	10.89	0.05	-	0.03	70.61
As at March 31, 2023						
(i) Total outstanding dues of micro enterprises and small enterprises	3.00	0.01	-	-	-	3.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	43.21	4.73	-	-	-	47.94

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

Note 16. Debt Securities

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Secured:		
Non-convertible debentures - (Refer Note (a), (b) and 16.1)	3,221.89	2,109.31
Zero Coupon Bonds -(Refer Note (a) and 16.1)	158.51	144.91
Total (A)	3,380.40	2,254.22

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Unsecured:		
Commercial Paper - (Refer Note 16.1)	232.64	-
Total (B)	**232.64**	**-**
Total (A+B)	**3,613.04**	**2,254.22**
Debt securities in India	3,613.04	2,254.22
Debt securities outside India	-	-

a. The above Non Convertible Debentures (NCDs) and Bonds are secured by way of first pari passu charge in favor of Debenture Trustee by way of hypothecation on receivables of the company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favor of certain existing charge holders. The NCDs/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are G-Sec linked and the interest is payable on maturity.

b. Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call option and contains a repayment clause by way of reduction in face value 15.00 Crores (from March 20, 2024) (As at March 31, 2023 15.00 Crores (from December 20, 2023) and 15.00 Crores (from March 20, 2024)) and NCDs carrying call and put option of 280.00 Crores (from April 02, 2025) (As at March 31, 2023 280.00 Crores (from April 02, 2025)).

Note 16.1 - Terms of repayment

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
Secured NCD (A)				
(a) Fixed:				
More than 5 years	933.69	5.00% - 9.18%	1,315.50	5.00% - 9.18%
3- 5 Years	956.36	5.00% - 8.75%	215.25	8.20% - 8.62%
1-3 Years	940.03	5.00% - 10.05%	535.72	8.25% - 10.33%
Less than 1 year	391.81	5.00% - 8.59%	42.84	5.00% - 10.33%
Total Secured NCD (A)	**3,221.89**		**2,109.31**	

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Yield	Amount	Yield
Secured Zero Coupon (B)				
More than 5 years	-	-	6.15	8.75%
3- 5 Years	6.65	8.75%	4.72	8.50%
1-3 Years	5.13	8.50%	134.04	8.25% - 10.30%
Less than 1 year	146.73	8.25% - 10.30%	-	
Total Secured Zero Coupon (B)	**158.51**		**144.91**	

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
Unsecured (C)				
Commercial Paper				
Less than 1 year	232.64	9.05%	-	-
Total Unsecured (C)	**232.64**		**-**	

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 16.2(a) - Security wise details of Secured NCD

(₹ in Crores)

Particulars	Coupon	As at March 31, 2024	As at March 31, 2023
8.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series I Tranche II. Date of maturity - 03/01/2025	8.25%	225.72	225.72
10.33% Secured Rated Listed Redeemable Non Convertible Debenture. Series C11. Date of maturity - 19/12/2025	10.33%	-	15.00
10.05% Secured Rated Listed Redeemable Non Convertible Debenture. Series C13. Date of maturity - 20/03/2026	10.05%	15.00	15.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D8. Date of maturity - 31/03/2026	8.50%	280.00	280.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D9. Date of maturity - 22/05/2026	8.50%	320.00	-
8.20% Secured Rated Listed Redeemable Non Convertible Debentures. Series D7. Date of maturity - 28/09/2026	8.20%	112.00	112.00
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II. Date of maturity - 03/01/2027	8.20%	52.65	52.65
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II. Date of maturity - 03/01/2027	8.50%	13.60	13.60
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2027	8.36%	273.33	-
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series.Seris D3. Date of maturity - 11/02/2028	8.60%	18.00	18.00
8.62% Secured Rated Listed Redeemable Non Convertible Debentures. Series.Series D4. Date of maturity - 12/03/2028	8.62%	19.00	19.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity - 15/08/2028	8.36%	273.33	-
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II. Date of maturity - 03/01/2029	8.43%	53.74	53.74
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II. Date of maturity - 03/01/2029	8.75%	22.18	22.18
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D5. Date of maturity - 16/04/2029	8.70%	36.00	36.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2029	8.36%	273.33	
9.18% Secured Rated Listed Redeemable Non Convertible Debentures. Series C15. Date of maturity - 03/10/2029	9.18%	300.00	300.00
8.585% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD I. Date of maturity - 25/02/2030	8.59%	371.40	433.30
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D6. Date of maturity - 14/05/2030	8.70%	109.00	109.00
8.69% Secured Rated Listed Redeemable Non Convertible Debentures. Series. Series D2. Date of maturity - 12/11/2030	8.69%	300.00	300.00
5% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD II. Date of maturity - 28/02/2031	5.00%	74.70	74.70
Total		**3,142.98**	**2,079.89**

Note: Statement showing contractual principal outstanding of Secured Non Convertible Debentures.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 16.2(b) - Security wise details of Secured Zero Coupon Bond

(₹ in Crores)

Particulars	Yield	As at March 31, 2024	As at March 31, 2023
G- Sec Linked Secured Rated Listed Principal Protected Redeemable Non Convertible Debentures. Series C 12. Date of maturity - 25/04/2024	9.12%	51.30	51.30
G- Sec Linked Secured Rated Unlisted Principal Protected Redeemable Non Convertible Debentures. Series C 14. Date of maturity - 27/06/2024	10.30%	20.00	20.00
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche II. Date of maturity - 03/01/2025	8.25%	26.73	26.73
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II. Date of maturity - 03/01/2027	8.50%	4.25	4.25
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II. Date of maturity - 03/01/2029	8.75%	5.53	5.53
Total		107.81	107.81

Note: Statement showing contractual principal outstanding of Secured Zero Coupon Bond

Note 17. Borrowings (other than debt securities)

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Secured:		
(a) Term loans		
(i) from Banks (Refer Note (a), (b) and 17.1)	6,655.25	7,676.51
(ii) from National Housing Bank (NHB) (Refer Note (a), (b), (c) and 17.2)	4,791.48	3,085.44
(iii) from Financial Institution (Refer Note (b) and 17.3)	1,321.07	678.89
(b) Securitisation Liability (Refer Note 17.4)	145.28	179.68
(c) Cash credit / Overdraft from Banks (Refer Note (a), (b) and 17.4)	120.11	0.15
Total	13,033.19	11,620.67
Borrowings in India*	12,615.20	11,198.53
Borrowings outside India	417.99	422.14
Total	13,033.19	11,620.67

a. Out of the total borrowing from Banks, borrowings amounting to ₹ 20.00 Crores (As at March 31, 2023 ₹ 20.00 Crores) and Refinance Facility from NHB amounting to ₹ 390.32 Crores (As at March 31, 2023 ₹ 564.94 Crores) are also guaranteed by Holding Company i.e. IIFL Finance Limited.

b. The term loans from banks, Financial Institution and NHB and cash credits from banks are secured by way of first pari passu charge by way of hypothecation on receivables of the company, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favor of certain existing charge holders. Further, borrowings from Financial Institution amounting to ₹ 413.10 Crores (before interest accrued but not due, exchange fluctuation and EIR adjustments) (As at March 31, 2023 Nil) are secured by way of first priority exclusive charge on the identified receivables of the Company.

c. Borrowings from NHB includes ₹ 4,401.16 Crores (As at March 31, 2023 ₹ 2,520.49 Crores) secured by way of first exclusive charge on unencumbered individual housing loan portfolio in favor of NHB.

* This includes FCNB borrowings amounting to ₹ 1,106.17 Crores (As at March 31, 2023 ₹ 972.39 Crores.).

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 17.1 - Terms of repayment of Term Loans from Banks

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	906.87	8.49%-9.30%	1,249.63	7.70% - 9.00%
3- 5 Years	1,695.43	8.49%-9.55%	1,555.15	7.70% - 9.55%
1-3 Years	2,520.42	8.39%-9.55%	2,487.03	7.70% - 9.55%
Less than 1 year	1,532.53	8.39%-9.55%	2,384.70	7.70% - 9.70%
Total	6,655.25		7,676.51	

Note 17.2 - Terms of repayment of term loans from NHB

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Fixed:				
More than 5 years	1,435.70	2.80% - 8.50%	783.14	2.80% - 7.90%
3- 5 Years	1,227.19	2.80% - 8.50%	723.32	2.80% - 7.90%
1-3 Years	1,415.93	2.80% - 9.00%	1,092.71	2.80% - 8.40%
Less than 1 year	712.66	2.80% - 9.00%	486.27	2.80% - 8.40%
Total	4,791.48		3,085.44	

Note 17.3 - Terms of repayment of term loans from Financial Institution

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	311.12	9.10%	315.70	9.10%
3- 5 Years	235.41	9.10%	166.63	9.10%
1-3 Years	254.19	9.10%	140.08	9.10%
Less than 1 year	102.36	9.10%	56.48	9.10%
Sub-Total - Floating (A)	903.08		678.89	
Fixed:				
More than 5 years	198.84	5.84%	-	-
3- 5 Years	91.80	5.84%	-	-
1-3 Years	91.80	5.84%	-	-
Less than 1 year	35.55	5.84%	-	-
Sub-Total - Fixed (B)	417.99		-	
Total (A+B)	1,321.07		678.89	

Note 17.4 - Terms of Repayment of other loans

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
Cash credit / Overdraft from Banks (A)				
Less than 1 year	120.11	8.80%	0.15	6.35%

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Securitisation Liability (B)				
More than 5 years	112.80	8.10% - 9.35%	143.06	7.30% - 8.05%
3- 5 Years	13.22	8.10% - 9.35%	15.22	7.30% - 8.05%
1-3 Years	12.71	8.10% - 9.35%	14.56	7.30% - 8.05%
Less than 1 year	6.55	8.10% - 9.35%	6.84	7.30% - 8.05%
Sub-Total - Securitisation Liability	**145.28**		**179.68**	
Total (A+B)	**265.39**		**179.83**	

Note 18. Subordinated liabilities

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures - Unsecured	829.22	886.46
Zero Coupon Bonds - Unsecured	208.16	191.85
Total	**1,037.38**	**1,078.31**
Subordinated Liabilities in India	1,037.38	1,078.31
Subordinated Liabilities outside India	-	-
Total	**1,037.38**	**1,078.31**

Non Convertible Debentures – Unsecured includes redeemable non convertible debentures carrying call option of ₹ 10.00 Crores (from February 28, 2024), ₹ 126.52 Crores. (from May 14, 2024), ₹ 40.00 Crores. (from June 18, 2025) and ₹ 30.00 Crores (from July 14, 2025) (As at March 31, 2023 ₹ 10.00 Crores (from February 28, 2024), ₹ 126.52 Crores (from May 14, 2024), ₹ 40.00 Crores (from June 18, 2025) and ₹ 30.00 Crores (from July 14, 2025)).

Note 18.1 - Terms of repayment of Subordinated Debt

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
Non-convertible debentures - Unsecured				
More than 5 years	-	-	708.14	9.60% - 10.02%
3- 5 Years	803.69	8.85% - 10.02%	85.00	8.85% - 9.05%
1-3 Years	-	-	-	-
Less than 1 year	25.53	8.85% - 10.02%	93.32	8.93% - 9.30%
Total Non-convertible debentures - Unsecured	**829.22**		**886.46**	

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
Zero Coupon Bonds - Unsecured				
More than 5 years	-	-	191.85	9.40%
3- 5 Years	208.16	9.40%	-	-
Total Zero Coupon Bonds - Unsecured	**208.16**		**191.85**	

These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under RBI Directions for Housing Finance Companies for assessing capital adequacy. Based on the balance term to maturity As at March 31, 2024, 78% (As at March 31, 2023 92%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 18.2(a) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)

Particulars	Coupon	As at March 31, 2024	As at March 31, 2023
8.93% Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U07 Date of maturity - 14/04/2023	8.93%	-	50.00
9.30% Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U05. Date of maturity - 29/05/2023	9.30%	-	15.00
8.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series U06. Date of maturity - 27/07/2027	8.85%	75.00	75.00
9.05% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U08. Date of maturity - 28/02/2028	9.05%	10.00	10.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U09. Date of maturity - 16/06/2028	9.85%	40.00	40.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U010. Date of maturity - 13/07/2028	9.85%	30.00	30.00
10% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series I. Date of maturity - 03/11/2028	10.00%	232.72	232.72
9.6% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series II. Date of maturity - 03/11/2028	9.60%	382.82	382.82
10.02% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series III. Date of maturity - 13/11/2028	10.02%	40.28	40.28
Total		**810.82**	**875.82**

Note: Statement showing contractual principal outstanding of Subordinated Non Convertible Debentures.

Note 18.2(b) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)

Particulars	Yield	As at March 31, 2024	As at March 31, 2023
Zero Coupon G-Sec Linked Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series Ua3. Date of maturity - 11/08/2028	9.40%	126.30	126.30
Total		**126.30**	**126.30**

Note 19. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Book overdraft*	952.02	778.84
Unclaimed interest and redemption proceeds of NCDs**	4.61	4.67
Other Payables#	95.56	114.40
Total	**1,052.19**	**897.91**

* Book overdraft represents cheque issued towards disbursement to borrowers but not presented to banks.

** As required under Section 125 of the Companies Act, 2013, the Company, during the year, has transferred ₹ 0.08 Crores. (as at March 31, 2023 ₹ 0.09 Crores.) to the Investor Education and Protection Fund (IEPF). As of March 31, 2024, ₹ 0.00 Crores. (as at March 31, 2023 ₹ 0.00 Crores) was due for transfer to the IEPF.

Includes liability towards Credit Link Subsidy Scheme received from NHB of ₹ 0.04 Crores. (as at March 31, 2023 ₹ 0.04 Crores) and liability towards assignment payable.

Note 20. Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions for Employee Benefits		
- Provision for Leave Encashment	10.49	7.21
- Provision for Gratuity (Refer 32.2)	3.80	0.70
- Provision for Bonus	15.75	11.43
Total	**30.04**	**19.34**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 21. Other Non Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances	15.26	14.10
Unspent CSR (Refer note no 38A)	6.90	5.20
Advances from borrowers	76.95	245.55
Total	**99.11**	**264.85**

Note 22. Equity Share Capital

(a) Authorised, Issued, Subscribed and fully paid up share capital

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
152,000,000 Equity Shares of ₹ 10/- each with voting rights (as at March 31, 2023 - 152,000,000)	152.00	152.00
20,000,000 Preference Shares of ₹ 10/- each (as at March 31, 2023 20,000,000)	20.00	20.00
Total	**172.00**	**172.00**
Issued, Subscribed and Paid Up		
Equity Share Capital		
26,344,638 Equity Shares of ₹ 10/- each fully paid-up (as at March 31, 2023 - 26,344,638)	26.34	26.34
Total	**26.34**	**26.34**

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

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,63,44,638	26.34	2,09,68,181	20.97
Add: Issued during the year	-	-	53,76,457	5.37
Outstanding at the end of the year	**2,63,44,638**	**26.34**	**2,63,44,638**	**26.34**

During the year ended March 2023, the Company has allotted 5,376,457 equity shares of ₹ 10/- each at a premium of ₹ 4,081.91/- per share

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of 10 each fully paid				
IIFL Finance Limited (holding company) and its nominees	2,09,68,181	79.59%	2,09,68,181	79.59%
Platinum Owl C 2018 RSC Limited	53,76,457	20.41%	53,76,457	20.41%

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(e) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares held by Promoters

(₹ in Crores)

Particulars	Promoter Name	No of Shares*	% of Total Shares	% Change during the year
As at March 31, 2024	IIFL Finance Limited	2,09,68,181	79.59%	-
As at March 31, 2023	IIFL Finance Limited	2,09,68,181	79.59%	-20.41%

* Shares held by IIFL Finance Limited and its nominees. The shareholding of Nominee is 500 shares (P.Y. 500 shares).

Note 23: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium Reserve		
Opening Balance	2,969.65	799.16
Add: Additions during the year	-	2,194.62
less: Share issue expenses	-	(24.13)
Closing Balance	**2,969.65**	**2,969.65**
General Reserve		
Opening Balance	143.86	143.86
Add: Additions during the year	-	-
Closing Balance	**143.86**	**143.86**
Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening Balance	561.07	402.97
Add: Transfer from retained earnings	205.40	158.10
Closing Balance	**766.47**	**561.07**
Retained Earnings - remeasurement of defined benefit		
Opening Balance	(0.86)	(0.50)
Other comprehensive income for the year	(0.62)	(0.36)
Closing Balance	**(1.48)**	**(0.86)**
Retained Earnings - other than remeasurement of defined benefit		
Opening Balance	1,838.48	1,311.64
Add: Profit for the year	1,026.84	790.32
Less: Equity dividend	(144.90)	(105.38)
Less: Transfer to special reserve	(205.40)	(158.10)
Closing Balance	**2,515.02**	**1,838.48**
Share Option Outstanding Account		
Opening Balance	-	-
Add: Addition during the year	19.77	-
Closing Balance	**19.77**	**-**
Effective portion of Cash Flow Hedges		
Opening Balance	5.57	(7.03)
Add: Other comprehensive income / (loss)	(5.70)	12.60
Closing Balance	**(0.13)**	**5.57**
Fair value of loans carried at FVTOCI		
Opening Balance	9.09	9.65
Add: Other comprehensive income/ (loss)	(1.19)	(0.56)
Closing Balance	**7.90**	**9.09**
Total	**6,421.06**	**5,526.86**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 23.1 Nature and purpose of reserve

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987

As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

Retained Earnings - remeasurement of defined benefit

The Company recognises change on account of remeasurement of the net defined benefit liability / asset as part of retained earnings.

Retained Earnings - other than remeasurement of defined benefit

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Share Option Outstanding Account

The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Company.

Effective portion of Cash Flow Hedges

The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

Fair value of loans carried at FVTOCI

The amount represents cumulative gains/(losses) arising on account of fair valuation of pools(loans) set aside for sell basis the business model.

Note 24. Interest Income

(₹ in Crores)

Particulars	FY 2023-24			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	341.87	2,413.82	23.67	2,779.36
Interest income from investments	-	34.58	19.95	54.53
Interest on inter corporate deposits	-	42.18	-	42.18
Interest on deposits with Banks*	-	40.79	-	40.79
Total	**341.87**	**2,531.37**	**43.62**	**2,916.86**

(₹ in Crores)

Particulars	FY 2022-23			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	232.15	1,946.26	-	2,178.41
Interest income from investments	-	28.02	13.61	41.63
Interest on inter corporate deposits	-	11.34	-	11.34
Interest on deposits with Banks*	-	66.15	-	66.15
Total	**232.15**	**2,051.77**	**13.61**	**2,297.53**

*Includes interest income on security deposits

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 25. Dividend Income

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Dividend income	-	1.25
Total	**-**	**1.25**

Note 26. Fees and Commission Income

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Fees & Other Charges*	93.73	85.80
Insurance and distribution commission	94.11	28.67
Total	**187.84**	**114.47**

* Includes fee and charges in the nature of service fee, foreclosure, etc.

Note 27. Net Gain on Fair Value Changes

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Net Gain /(loss) on financial instruments at FVTPL		
On trading portfolio		
- Investments	25.76	59.65
- Others	(21.29)	-
Total Net gain on fair value changes	**4.47**	**59.65**
Fair Value changes:		
- Realised	(1.83)	45.92
- Unrealised	6.30	13.73
Total Net gain on fair value changes	**4.47**	**59.65**

Note 28: Net gain/(loss) on derecognition of financial instruments:

Note 28.1 Net gain/(loss) on derecognition of financial instruments under FVTOCI

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Assignment of loans	(1.03)	72.54
Total	**(1.03)**	**72.54**

Note 29. Other Income

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Marketing, advertisement and support service fees	184.42	127.58
Total	**184.42**	**127.58**

Note 30. Finance Costs

(₹ in Crores)

Particulars	On Financial liabilities measured at Amortised Cost	
	FY 2023-24	FY 2022-23
Interest on borrowings (other than debt securities)	940.12	880.46
Interest on debt securities	258.92	172.18
Interest on subordinated liabilities	97.97	101.19
Other interest expense		
Interest on lease liabilities	3.31	2.24
Other borrowing cost	27.46	26.02
Total	**1,327.78**	**1,182.09**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Statement showing exchange fluctuation on account of foreign currency borrowings:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Revaluation Gain/(Loss) on Foreign currency loan	(48.52)	(35.33)
Recognised in Other Comprehensive Income	48.52	32.76
Recognised in Statement of Profit and Loss	-	(2.57)

Note 31. Impairment on Financial Instruments, including write-offs

(₹ in Crores)

Particulars	FY 2023-24		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(7.84)	(115.21)	(123.05)
Receivables	-	(6.43)	(6.43)
Investments	-	1.00	1.00
Bad debts written off (Net of recovery)	-	245.12	245.12
Total	**(7.84)**	**124.48**	**116.64**

(₹ in Crores)

Particulars	FY 2022-23		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(2.00)	(8.00)	(10.00)
Receivables		6.40	6.40
Bad debts written off (Net of recovery)	-	141.65	141.65
Total	**(2.00)**	**140.05**	**138.05**

Note 32. Employee Benefits Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Salaries and wages	293.12	221.21
Contribution to provident and other funds (Refer Note 32.1)	11.98	9.21
Leave Encashment	4.72	2.86
Gratuity (Refer Note 32.2)	2.23	1.86
Staff welfare expenses#	8.21	5.07
Share Based Payments to employees (Refer Note 32.3)	19.77	-
Total	**340.03**	**240.21**

#The Group companies i.e. IIFL Finance Limited and IIFL Securities Limited have granted stock options to its employees as well as employees of the Company. Pursuant to the scheme, the Company has reimbursed the group companies 1.33 Crores. (P.Y. 0.49 Crores), on account of such costs and the same is forming part of Employee benefit expenses.

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

32.1 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	5.96	4.70
Contribution to ESIC	0.55	0.42
Contribution to Labour Welfare Fund	0.06	0.04
Company contribution to EPS	5.02	3.73
Company contribution to NPS	0.39	0.32
Total	**11.98**	**9.21**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

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

(₹ in Crores)

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	Funded
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)

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Expected Return on Plan Assets	7.20%	7.46%
Rate of Discounting	7.20%	7.46%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality 2012-14 (Ultimate)
Retirement Age for employees (in years)	60	60

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	11.31	9.39
Interest Cost	0.84	0.66
Current Service Cost	2.18	1.86
Liability Transferred In/ Acquisitions	0.04	0.07
Liability Transferred Out/ Divestment	(0.00)	(0.05)
Benefit Paid From the Fund	(1.33)	(0.81)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.57	(0.90)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.48	1.09
Present Value of Benefit Obligation at the End of the Year	**14.09**	**11.31**

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	10.61	9.50
Interest Income	0.79	0.66
Contributions by the Employer	-	1.55
Benefit Paid from the Fund	(1.33)	(0.81)
Return on Plan Assets, Excluding Interest Income	0.22	(0.29)
Fair Value of Plan Assets at the End of the Year	**10.29**	**10.61**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

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	(14.09)	11.31
Fair Value of Plan Assets at the end of the Year	10.29	10.61
Funded Status Surplus/ (Deficit)	(3.80)	(0.70)
Net (Liability)/Asset Recognised in the Balance Sheet	**(3.80)**	**(0.70)**

Net Interest Cost

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Present Value of Benefit Obligation at the Beginning of the Year	11.31	9.39
Fair Value of Plan Assets at the Beginning of the Year	(10.61)	(9.49)
Net Liability/(Asset) at the Beginning of the Year	0.70	(0.10)
Interest Cost	0.84	0.66
Interest Income	(0.79)	(0.66)
Net Interest Cost	**0.05**	**(0.00)**

Expenses Recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Current Service Cost	2.18	1.86
Net Interest Cost	0.05	(0.00)
Expenses Recognised	**2.23**	**1.86**

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	1.05	0.19
Return on Plan Assets, Excluding Interest Income	(0.22)	0.29
Net (Income)/Expense For the Year Recognised in OCI	**0.83**	**0.48**

Balance Sheet Reconciliation

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Opening Net Liability	0.70	(0.10)
Expenses Recognised in Statement of Profit and Loss	2.23	1.86
Expenses Recognised in OCI	0.83	0.48
Net Liability/(Asset) Transfer In	0.04	0.07
Net (Liability)/Asset Transfer Out *	(0.00)	(0.06)
Employer's Contribution	-	(1.55)
Net Liability/(Asset) Recognised in the Balance Sheet	**3.80**	**0.70**

* 0.00 denotes amount less than ₹ fifty thousand

Category of Assets

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Insurance policy	10.29	10.61
Total	**10.29**	**10.61**

Other Details

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Prescribed Contribution For Next Year (12 Months)	6.75	2.87

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Maturity Analysis of the Benefit Payments: From the Fund

(₹ 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	0.68	0.60
2nd Following Year	0.15	0.13
3rd Following Year	0.19	0.14
4th Following Year	0.19	0.17
5th Following Year	0.21	0.17
Sum of Years 6 To 10	1.91	1.39
Sum of Years 11 and above	50.02	42.07

Sensitivity Analysis

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions	14.09	11.31
Delta Effect of +1% Change in Rate of Discounting	(2.10)	(1.66)
Delta Effect of -1% Change in Rate of Discounting	2.37	1.91
Delta Effect of +1% Change in Rate of Salary Increase	1.85	1.43
Delta Effect of -1% Change in Rate of Salary Increase	(1.61)	(1.26)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.17)	(0.09)
Delta Effect of -1% Change in Rate of Employee Turnover	0.19	0.10

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

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Note 32.3. Employee Stock Option

The Company has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio.All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.(vesting ratio of 25:25:25:25). As per ESOP Plan, the Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Particulars	FY 2023-24	FY 2022-23
Grant Date	01-10-2023	N.A
Option Price Model	Black Scholes Method	N.A
Exercise Price	1,338.00	N.A
Share Price on Grant Date	4,513.38	N.A
Expected Volatility	50%	N.A
Expected life of options (Years)	4	N.A
Risk-free rate of return	7.37%	N.A
Dividend Yield	0.86%	N.A
Fair Value of ESOP at Grant Date	3,423.18	N.A
Weighted Average remaining contractual life of the option (Years)	3.50	N.A

Fair Value Methodology:

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year.

Table Showing options movement during year:

Particulars	FY 2023-24	FY 2022-23
Outstanding at the beginning of the year	-	N.A
Granted during the year	2,42,563	N.A
Forfeited during the year	3,935	N.A
Expired during the year	-	N.A
Exercised during the year	-	N.A
Outstanding at the end of the year	2,38,628	N.A
Exercisable at the end of the year	-	N.A

Weighted average share price at the date of exercise date : N.A. as no ESOP exercise in year

Weighted-average exercise prices of options granted during the year is ₹ 1338 /- option.

Table showing Weighted-average exercise prices of options:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Opening ESOP Outstanding Reserve Balance	-	N.A.
Expense Recognised/ (Reversed) during the year	19.77	N.A.
Closing ESOP Outstanding Reserve Balance	19.77	N.A.

Note: The Company has granted options in equal parts in two tranches (i) 50% on October 01, 2023 (time based); and (ii) 50% on April 01, 2024 (performance based) and will vest as specified in the Grant letter.

Note: The company has granted 1,55,129 no. of ESOPs to KMPs during the year.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 33. Other Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Advertisement	12.71	7.24
Valuation & verification expenses	3.61	1.40
Marketing expenses	21.42	5.70
Bank charges	2.59	2.20
Communication	1.41	1.29
Electricity	2.46	2.21
Rating and custodian fees	2.20	1.32
Legal & professional fees	38.14	27.03
Commission & sitting fees	0.78	0.70
Miscellaneous expenses	0.66	0.43
Office expenses	10.79	12.86
Postage & courier	1.77	1.70
Printing & stationary	1.29	1.50
Rates & taxes	0.03	0.02
Rent	10.81	7.38
Repairs & maintenance	1.04	1.01
Payments to auditors*	1.83	0.81
Software charges	19.14	10.42
Security expenses	2.25	1.52
Travelling & conveyance	12.92	9.08
Corporate Social Responsibility (CSR) Expenses (Refer note 38A)	17.40	13.10
Loss on sale of assets	0.04	0.94
Total	**165.29**	**109.86**

***Payments to auditors**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Audit Fees	0.65	0.32
Limited Reviews	0.71	0.15
Other matters and certification	0.25	0.27
Out of Pocket Expenses	0.22	0.07
Total	**1.83**	**0.81**

Note 34. Income taxes

34.1 Amounts recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax expense		
Current year	272.55	227.05
Tax of earlier years	(0.08)	(0.77)
Deferred tax expense		
Origination and reversal of temporary differences	28.90	6.29
Total	**301.37**	**232.57**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

34. 2 Amounts recognised in other comprehensive income

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurement gain/ (loss) of defined benefit liabilities/(assets)	0.21	0.12
Items that will be reclassified to profit or loss		
Net movement on effective portion of cash flow hedge	1.91	(4.24)
Fair value of loans carried at fair value through other comprehensive income	0.40	0.19
Total	**2.52**	**(3.93)**

34.3 Reconciliation of total tax expense

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax	**1,328.21**	**1,022.89**
Tax using the domestic tax rate (25.168%)	334.28	257.44
Tax effect of:		
Non-deductible expenses	5.11	3.37
Tax-exempt income (includes deduction u/s 80JJAA)	(38.78)	(26.13)
Tax on Dividend	-	(0.31)
Income taxed at different rates	(1.02)	-
Adjustments for current tax for prior periods	(0.08)	(0.77)
Losses for which no deferred tax asset is recognised	-	(1.34)
De-Recognition of previously recognised deductible temporary differences	1.86	0.31
Total income tax expense	**301.37**	**232.57**

34.4 The Company has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

Note 35. Earnings Per Share

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

(₹ in Crores)

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	A	1,026.84	790.32
Weighted Average Number of Equity Shares Outstanding	B	2,63,44,638	2,42,38,245
Basic EPS (In)	**A/B**	**389.77**	**326.06**
DILUTED			
Weighted Average Number of Equity shares for computation of diluted EPS		2,63,44,638	2,42,38,245
Add: Potential equity shares on account conversion of Employees Stock Options		83,933	-
Weighted average number of equity shares for computation of diluted EPS	C	2,64,28,571	-
Diluted EPS (In ₹)	**A/C**	**388.53**	**326.06**

The basic earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares for the respective periods; whereas the diluted earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 36. Capital / Other Commitments and Contingent Liabilities at the Balance Sheet date

a. Commitments:

(i) As at the balance sheet date there were undrawn credit commitments of ₹ 3,262.11 Crores. (P.Y. ₹ 2,098.41 Crores.);

(ii) Estimated amount of contracts remaining to be executed on capital account of ₹ 0.54 Crores (P.Y. ₹ 1.54 Crores).

b. Contingent Liabilities:

(i) Claim against the Company not acknowledged as debt ₹ 0.15 Crores (P.Y. ₹ 0.19 Crores);

(ii) Contingent liability on account of Income Tax Dispute is ₹ 7.28 Crores (P.Y. ₹ 7.28 Crores) - The Company has filed appeal against the said demand;

(iii) Contingent liability on account of GST Dispute is ₹ 0.76 Crores (P.Y. ₹ 0.19 Crores) -The Company has filed appeal against the said demand and has deposited 0.04 Crores (P.Y. Nil) under protest;

(iv) Credit enhancement and Guarantee given for securitisation and assignment transactions amounting to ₹ 79.91 Crores and ₹ 23.34 Crores respectively (P.Y. ₹ 79.95 Crores and ₹ 23.34 Crores).

Note 37. Disclosure as per Ind AS -108 "Operating Segments

The Company's main business is financing by way of loans for the purchase or construction of residential houses, loans against property and construction of real estate and certain other purposes, in India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Operating Segments'.

Note 38A. Corporate Social Responsibility

The Company was required to spend ₹ 17.40 Crores. (P.Y. ₹ 13.10 Crores.) towards Corporate Social Responsibility (CSR) activities for the current financial year.

(₹ in Crores)

Particulars	FY 2023-2024		
	Amount Spent	Amount Unspent/Provision	Total
(a) Amount of expenditure incurred	11.77	5.63	17.40
(b) Shortfall at the end of the year*	-	5.63	5.63
(c) Total of previous years shortfall	3.93	1.27	5.20
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	15.70	5.63	22.60

Reason for Shortfall: During the year, the Company contributed towards the ongoing projects which remained unspent as on March 31, 2024 resulting in shortfall. The unspent amount has been transferred to a separate Bank account on April 26, 2024, which will be spent during the FY 2024-25.

(₹ in Crores)

Particulars	FY 2022-2023		
	Amount Spent	Amount Unspent/Provision	Total
(a) Amount of expenditure incurred	7.90	5.20	13.10
(b) Shortfall at the end of the year**	-	5.20	5.20
(c) Total of previous years shortfall	3.03	-	3.03
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	10.93	5.20	16.13

Reason for Shortfall: During the FY 2021-22, the Company contributed towards the ongoing projects which remained unspent as on March 31, 2022 resulting in shortfall. The unspent amount was transferred to a separate Bank account on April 08, 2022 and was spent during the FY 2022-23.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

38A.1 Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures (refer note 41A).

38A.2 The Company has undertaken CSR activities as per schedule VII of the Companies Act, 2013

Note 38B. Additional Regulatory Information under MCA Notification dated March 24, 2021

a. **Details of Benami Property held:** There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. **Additional information where borrowings are from banks or financial institutions:**

(i) The revised quarterly returns and statements of current assets filed by the Company with banks or financial institutions for the quarter ended June 2023, September 2023 and December 2023 are in agreement with the books of accounts. Further for quarter ended March 2024 the company has filed the provisional return and statement which will be revised subsequently based on audited numbers;

(ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

c. **Wilful Defaulter:** The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

d. **Relationship with Struck off Companies :** During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, except with the parties disclosed below:

(₹ in Crores)

Name of the struck off company	Balance outstanding as at		Relationship with Struck off company
	March 31, 2024	March 31, 2023	
Loans and Advances:			
Jasmin Infraproject Company Private Limited	0.47	0.49	None
Creative Pulse Marketing Private Limited	-	0.12	None
Beauty Channel Salon & Spa Private Limited	1.42	1.45	None
Iconic Products India Pvt Ltd.	2.76	-	None
Vendor:			
Epicenter Technologies Pvt Ltd*	0.00	-	None

*0.00 denotes amount less than ₹ Fifty thousands

e. **Registration of charges or satisfaction with Registrar of Companies (ROC):** In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

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

g. **Ratios:**

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Capital to risk-weighted assets ratio (CRAR) (%)	42.84	47.28
Tier I CRAR (%)	37.62	39.24
Tier II CRAR (%)	5.22	8.04
Liquidity Coverage Ratio (%)	150.32	277.26

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

h. **Compliance with approved Scheme(s) of Arrangements:** The Company has not entered into Scheme of Arrangement in terms of section 230 to 237 of the Company Act, 2013

i. (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;

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

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

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

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

l. **Capital work in progress (CWIP) and Intangible assets under development:** Refer Note no. 12 for the relevant disclosure.

Note 39 Financial Instruments

Note 39 A. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk comprising of interest rate risk, currency risk and price risk.

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

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Company's growth and performance.

Financial Risk Management Structure

The Company has established multi-level risk governance for monitoring & control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (""RMC"") which is responsible for monitoring the overall risk process within the Company. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer (""CEO"") with oversight of RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company has a risk framework constituting various lines of defence – the first line of defence consisting of the Management of the Company being responsible for seamless integration of risk principles across all businesses. Additionally, it ensures managerial & supervisory controls to ensure compliance and highlight inadequate processes and unexpected events.

Independent risk & policy team constitutes second life of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control & self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

The Company has defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Company.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

39 A.1 Credit Risk

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

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. The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, a asset is reviewed at a frequency determined based on the risk it carries at the review date. For effective risk management, the Company monitors its portfolio, based on product, underlying security and credit risk characteristics.

39 A.1(I) Credit Risk Grading of loans and loss allowances

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

The Company has initiated portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Company to standardize credit underwriting & improve sourcing quality in the long run.

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

The Company categorises loan assets into stages based on the Days Past Due status: -

Stage 1: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.

Stage 2: [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: [More than 90 days Past Due and other cases basis regulatory guidelines] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Additionally, the Company evaluates risk based on staging which are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Stage 1	21,991.78	16,754.93
Stage 2	1,178.78	1,087.31
Stage 3	340.92	386.10
Total	**23,511.48**	**18,228.34**

Financial Assets measured at Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Unsecured Inter Corporate Deposits to group companies, Trade Receivables, Investments and Other Financial Assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

39 A.1(II) Credit quality analysis

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

(₹ in Crores)

Particulars	As at March 31, 2024				
	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
Loans at FVTOCI	3,827.04	1.28	-	-	3,828.32
Loans at amortised cost	18,164.74	1,177.50	340.92	-	19,683.16

(₹ in Crores)

Particulars	As at March 31, 2023				
	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
Loans at FVTOCI	2,854.50	-	-	-	2,854.50
Loans at amortised cost	13,900.43	1,087.31	386.10	-	15,373.84

(b). The following tables show reconciliations from the opening to the closing balance of the Exposure At Default (EAD) and Expected Credit Loss (ECL) by class of financial instrument.

Loans and advances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*
Opening EAD March 31, 2023	**16,623.25**	**2201.02**	**1,044.74**	**70.65**	**387.46**	**(1.37)**	**18,055.45**	**2,271.30**
New Loans Disbursed during the year	11,746.48	2,364.08	91.57	9.01	9.85	(0.08)	11,847.90	2,373.01
Loan Derecognised	(3,987.93)	(403.08)	(153.52)	(4.59)	(114.86)	0.06	(4,256.31)	(407.61)
Loans written off	(177.34)	(7.35)	(22.21)	(6.97)	(78.49)	0.48	(278.04)	(13.83)
Movement in Stages	-	-	-	-	-	-		

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*
From Stage 1	(778.18)	(64.91)	637.48	53.12	140.70	11.80	0.00	-
From Stage 2	336.22	23.08	(427.46)	(32.09)	91.24	9.00	0.00	(0.01)
From Stage 3	50.96	(0.21)	17.09	(0.04)	(68.05)	0.26	(0.00)	-
Loans Repaid in part or full	(2,002.74)	(743.81)	(59.01)	(0.55)	(24.96)	(22.14)	(2,086.71)	(766.50)
Closing EAD March 31, 2024	**21,810.71**	**3,369.81**	**1,128.67**	**88.54**	**342.90**	**(1.99)**	**23,282.28**	**3,456.36**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 3,227.17 Crores (As at March 31, 2023 ₹ 2,098.41 Crores)

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*
Opening EAD March 31, 2022	**14,412.66**	**1,723.46**	**927.58**	**67.12**	**328.55**	**(0.33)**	**15,668.80**	**1,790.25**
New Loans Disbursed during the year	9,264.64	1,443.89	73.38	6.16	9.18	(0.11)	9,347.20	1,449.95
Loan Derecognised	(3,686.33)	(213.43)	(96.62)	(4.64)	(52.19)	0.04	(3,835.14)	(218.03)
Write offs	(19.92)	(7.20)	(24.36)	(7.26)	(126.05)	0.21	(170.34)	(14.25)
Movement in Stages	-	-	-	-	-	-		
From Stage 1	(391.47)	(25.64)	357.91	25.58	33.56	0.06	(0.00)	(0.00)
From Stage 2	662.32	41.18	(678.45)	(41.19)	16.13	0.01	(0.00)	(0.00)
From Stage 3	181.49	12.09	108.42	8.89	(289.91)	(20.98)	-	-
Loans Repaid in part or full	(3,800.14)	(772.43)	376.89	15.99	468.18	19.72	(2,955.07)	(736.72)
Closing EAD March 31, 2023	**16,623.25**	**2,201.02**	**1,044.74**	**70.65**	**387.46**	**(1.37)**	**18,055.45**	**2,271.30**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 2,098.41 Crores (As at March 31, 2022 ₹ 1,652.76 Crores)

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Loss Allowances

(₹ in Crores)

Reconciliation of Loss Allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*
Opening ECL March 31, 2023	**245.27**	**20.53**	**112.79**	**7.26**	**108.19**	**(0.01)**	**466.26**	**27.79**
New Loans Disbursed during the year	40.48	9.69	11.19	2.81	2.73	-	54.41	12.49
Loan Derecognised	(43.59)	(3.37)	(11.23)	(0.73)	(5.45)	(0.00)	(60.26)	(4.10)
Loans written off	(33.25)	(0.63)	(12.83)	(0.72)	(51.40)	-	(97.47)	(1.35)
Movement in Stages								
From Stage 1	(16.52)	(0.75)	13.20	0.60	3.32	0.15	-	-
From Stage 2	30.24	1.83	(40.25)	(3.01)	10.01	1.18	-	(0.00)
From Stage 3	13.33	-	4.38	-	(17.71)	-	-	-
Loans Repaid in part or full	(125.53)	(10.65)	39.15	14.02	57.58	(1.30)	(28.80)	2.07
Closing ECL March 31, 2024	**110.44**	**16.64**	**116.40**	**20.22**	**107.27**	**(0.01)**	**334.13**	**36.90**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 13.89 Crores (As at March 31, 2023 ₹ 18.88 Crores).

(₹ in Crores)

Reconciliation of Loss Allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*	Principal Outstanding	Unfunded Exposure/ Interest Accrued*
Opening ECL March 31, 2022	**233.68**	**9.52**	**132.26**	**7.31**	**123.50**	**-**	**489.44**	**16.83**
New Loans Disbursed during the year	87.06	12.52	3.18	0.32	2.21	-	92.45	12.84
Loan Derecognised	(38.91)	(1.06)	(9.25)	(0.38)	(12.46)	0.00	(60.61)	(1.44)
Loans written off	(4.83)	(0.04)	(7.20)	(1.06)	(54.59)		(66.61)	(1.09)
Movement in Stages								
From Stage 1	(70.31)	(2.37)	57.65	2.37	12.66	-	-	-
From Stage 2	24.28	0.40	(30.38)	(0.40)	6.10	-	-	(0.00)
From Stage 3	9.84	0.07	14.56	0.87	(24.41)	(0.95)	-	-
Loans Repaid in part or full	4.45	1.48	(48.04)	(1.77)	55.18	0.94	11.58	0.65
Closing ECL March 31, 2023	**245.27**	**20.53**	**112.79**	**7.26**	**108.19**	**(0.01)**	**466.26**	**27.79**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 18.88 Crores (As at March 31, 2022 ₹ 7.67 Crores).

Notes forning part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

39 A.1(III) Concentration of credit risk

Concentrations arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

The Company's Loan outstanding from Borrowers residing across 5 various states of India is 57% (P.Y. 62%).

39 A.1(IV) Contractual amount outstanding on financial assets that were written off during the reporting year

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Write off (net of recoveries)	245.12	141.65

39 A.1(V) Collateral held

The Company is in the business of extending secured loans backed by mortgage of property (residential or commercial). This also includes cross-collateralisation on other property(ies) of the borrower. The Company assessess and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Company also requests for additional collateral(s).

In normal course of business, the Company does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt.

39 A.1(VI) Modified financial assets

For financial assets, such as a loan to a customer, where the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Amortised Cost of Modified Assets at the time of modification during the year	-	-
Modification (Gain)/Loss for the year during the year	-	-

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Carrying amount of Modified financial assets	311.04	614.61

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification ''Resolution Framework for COVID-19-related Stress''.

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

39 A.2 Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. Further, The Company has defined Asset Liability Management (ALM) Framework with an organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2024	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Trade Payables	73.73	73.73	-	-	-	-	-
Finance Lease Obligation*	51.62	3.44	3.40	6.77	16.86	10.09	11.06
Debt Securities	3,613.04	156.24	47.97	566.96	945.16	963.02	933.69
Borrowings (Other than Debt Securities)	13,033.19	569.24	666.31	1,274.21	4,295.05	3,263.05	2,965.32
Subordinated Liabilities	1,037.38	3.28	22.16	0.08	-	1,011.86	-
Other financial liabilities	1,052.19	1,052.19	-	-	-	-	-

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2023	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Trade Payables	50.95	50.95	-	-	-	-	-
Finance Lease Obligation*	37.58	2.16	2.14	4.25	13.94	7.76	7.33
Debt Securities	2,254.22	17.98	8.65	16.22	669.76	219.97	1,321.64
Borrowings (Other than Debt Securities)	11,620.67	656.89	1,011.93	1,265.63	3,734.38	2,460.32	2,491.52
Subordinated Liabilities	1,078.31	68.10	25.13	0.08	-	85.00	900.00
Other financial liabilities	897.91	897.91	-	-	-	-	-

*Contractual maturities of financial lease obligation are on undiscounted basis.

(ii) Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at March 31, 2023	Cash flows	Others*	As at March 31, 2024
Debt Securities (Including subordinated libilities)	3,332.53	1,248.10	69.80	4,650.42
Borrowings (Other than Debt Securities)	11,620.67	1,456.20	(43.68)	13,033.19
Total Liabilities from Financial Activities	**14,953.20**	**2,704.30**	**26.12**	**17,683.61**

(₹ in Crores)

Particulars	As at March 31, 2022	Cash flows	Others*	As at March 31, 2023
Debt Securities (Including subordinated libilities)	3,275.67	65.97	(9.11)	3,332.53
Borrowings (Other than Debt Securities)	10,944.93	648.65	27.09	11,620.67
Total Liabilities from Financial Activities	**14,220.60**	**714.62**	**17.98**	**14,953.20**

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, exchange differences and conversation factor of derivative instruments.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

39 A.3 Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Company's exposure to market risk is primarily on account of interest rate risk, foreign exchange risk and price risk.

39 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entitys financial condition. The rise or fall in interest rates impact the Company's Net Interest Income.

Total Borrowings of the Company are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	7,823.71	8,535.24
Fixed rate borrowings	9,859.90	6,417.97
Total borrowings	**17,683.61**	**14,953.21**

As at the end of the reporting year, the Company had the following floating rate borrowings:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans and bank overdrafts and Securitisation Liability	9.01%	7,823.71	44.24%	8.72%	8,535.24	57.08%
Non Convertible Debentures	-	-	-	-	-	-
Net exposure to cash flow interest rate risk		**7,823.71**	**44.24%**		**8,535.24**	**57.08%**

An analysis by maturities is provided in note 39 A 2(i) above. The percentage of total loans shows the proportion of loans that are currently at floating rates in relation to the total amount of borrowings.

As at the end of the reporting year, the Company had the following cross currency interest rate swap contracts/ forward contracts outstanding:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cross Currency Interest Rate Swaps and Forward Contracts	7.74%	1,523.99	8.62%	8.97%	1,394.53	9.33%

The Company had following floating rate loans and advances outstanding:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Loans and advances*	12.65%	23,511.48	100.00%	12.93%	18,228.34	100.00%

*Since certain loans disbursed by Company carry a fix rate of interest only for an initial short tenure of the loan(not more than 3 years), all loans granted are considered to be floating rate loans

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in Crores)

Particulars	Impact on profit after tax and equity		Impact on other components of equity	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Interest rates – increase by 30 basis points (30 bps) *	(17.56)	(19.16)	-	-
Interest rates – decrease by 30 basis points (30 bps) *	17.56	19.16	-	-

* Holding all other variables constant

Profit or loss is sensitive to higher/lower interest income from loans and advances as a result of changes in interest rates.

(₹ in Crores)

Particulars	Impact on profit after tax and equity	
	FY 2023-24	FY 2022-23
Interest rates – increase by 30 basis points (30 bps) *	52.78	40.92
Interest rates – decrease by 30 basis points (30 bps) *	(52.78)	(40.92)

* Holding all other variables constant

39 A.3(II) Exposure to currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB).

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swaps and forwards contracts are entered to hedge certain foreign currency risk exposures and variable interest rate exposures, the Company's central treasury department identifies, evaluates and hedges financial risks in close co- operation with the Company's operating units

Notes forning part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Cross Currency Interest Rate Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profit before tax (PBT) and equity.

(₹ in Crores)

Particulars	Impact on profit after tax and equity	
	In INR	In USD
Borrowing as on March 31, 2024	1,523.99	18.16
Borrowing as on March 31, 2023	1,394.53	16.79

Since the Company has entered into derivative transaction to hedge this borrowing, the Company is not exposed to any currency risk on this borrowing.

39 A.3(III) Price Risk

The Company's investments carry a risk of change in prices. To manage its price risk arising from investments, the Company periodically monitors the performance of the investee. The Company's exposure to assets having price risk is insignificant.

39 A.3(IV) Competitions Risk

Company offers a range of mortgage products such as home loan, loans against property and construction of real estate. These are provided to a broad segment of customers including salaried and self-employed personnel and corporates. We face competition primarily from other HFCs. The major competitive factors among the peer group are an extensive branch network, greater funding capabilities, wider range of products and services, and advanced technology offerings.

39.B Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using a capital adequacy ratio as prescribed by the NHB Directions/ RBI Directions.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Debt (₹ in Crores)	17,683.62	14,953.20
Total Equity (₹ in Crores)	6,447.40	5,553.20
Net Debt to Equity Ratio (times)	2.74	2.69

Total Debt inlcudes debt securities, borrowings (Other than Debt Securities) and subordinated liabilities.

Total Equity includes equity share capital and other equity.

39.B.1 Fair values of financial instruments

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

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

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

The following table shows an analysis of financial instruments:

(₹ in Crores)

Particulars	As at March 31, 2024		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	771.15
Bank Balance other than cash and cash equivalents	-	-	299.23
Receivables			
(i) Trade Receivables	-	-	47.94
Loans	-	3,810.85	19,329.63
Investments	401.60	-	180.48
Other Financial assets	-	-	486.44
Total financial assets	**401.60**	**3,810.85**	**21,114.87**
Financial liabilities			
Derivative financial instruments	-	2.61	-
Trade Payables	-	-	73.73
Lease liabilities	-	-	40.77
Debt Securities	-	-	3,613.04
Borrowings (Other than Debt Securities)	-	-	13,033.19
Subordinated Liabilities	-	-	1,037.38
Other financial liabilities	-	-	1,052.19
Total financial liabilities	**-**	**2.61**	**18,850.30**

(₹ in Crores)

Particulars	As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	1,628.26
Bank Balance other than cash and cash equivalents	-	-	359.29
Derivative financial instruments	(2.03)	44.02	
Receivables			
(i) Trade Receivables	-	-	40.59
Loans	-	2,829.19	14,905.10
Investments	371.57	-	1,055.62
Other Financial assets	-	-	452.36
Total financial assets	**369.54**	**2,873.21**	**18,441.22**
Financial liabilities			
Derivative financial instruments	-	-	-
Trade Payables	-	-	50.95
Lease liabilities	-	-	29.72
Debt Securities	-	-	2,254.22
Borrowings (Other than Debt Securities)	-	-	11,620.67
Subordinated Liabilities	-	-	1,078.31
Other financial liabilities	-	-	897.91
Total financial liabilities	**-**	**-**	**15,931.78**

39.B.2 Financial instruments measured at fair value – Fair value hierarchy

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

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

Notes forming part of Standalone Financial Statements

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(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	3,810.85	3,810.85
Investments				
(i) Debt Securities, Security Receipts and G-Sec	401.60	-	-	401.60
Total financial assets	**401.60**	**-**	**3,810.85**	**4,212.45**
Financial liabilities				
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps	-	2.61	-	2.61
Total financial liabilities	**-**	**2.61**	**-**	**2.61**

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	2,829.19	2,829.19
Investments				
(i) Alternate Investment Fund and Debt Securities	371.57	-	-	371.57
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps		41.99		41.99
Total financial assets	**371.57**	**41.99**	**2,829.19**	**3,242.75**

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.

(₹ in Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2024	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	19,327.76	19,329.63	Level 3
Investments			
(i) In other securities*	181.58	180.48	Level 1 /Level 3
Total financial assets	**19,509.34**	**19,510.11**	
Financial Liabilities			
Debt Securities	3,479.24	3,613.04	Level 3
Subordinated Liabilities	1,029.13	1,037.38	Level 3
Total financial liabilities	**4,508.37**	**4,650.42**	

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2023	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	14,911.08	14,905.10	Level 3
Investments			
(i) In other securities*	1,058.02	1,055.62	Level 1 /Level 3
Total financial assets	**15,969.10**	**15,960.72**	
Financial Liabilities			
Debt Securities	2,169.44	2,254.22	Level 3
Subordinated Liabilities	1,006.65	1,078.31	Level 3
Total financial liabilities	**3,176.09**	**3,332.53**	

*Refer note no 8 for Investments measured at Amortised Cost. These are measured at Level 3

With respect to Bank Balances and Cash and Cash Equivalents, Trade Receivables , Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value

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) **Loans:** The cash flows at the fixed rate were discounted to present value at the applicable internal benchmark rates . This value, as estimated, was discounted to present value at the applicable rates to determine their fair value.

(ii) **Investments in Equity instruments:** Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3.

(iii) **Investments in Other securities:** Other Secutities (e.g. certificate of deposits, commercial papers, etc.) are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 1 and or Level 3.

(iv) **Debt Securities and Subordinated Liabilities:** The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

(v) **Financial assets and liabilities:** For financial assets and financial liabilities that have a short-term nature and long term financial assets and laibilities having floating rate structure , carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, lease liabilities, other financial assets & liabilities.

39.B.3 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing net amounts of Level 3 financial assets which are recorded at fair value.

(₹ in Crores)

Particulars	Loans - FVTOCI	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	2,829.19	2,885.40
loans derecognised during the year	(2,485.19)	(2,274.81)
loans originated (net)	3,466.85	2,218.60
Closing Balance	**3,810.85**	**2,829.19**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

40.1 Transferred financial assets that are derecognised in their entirety

During the year, the Company has sold loans and advances as per assignment deals, as a source of finance. As per the terms of deal, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plans, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets and the gain/(loss) on derecognition:

(₹ in Crores)

Loans and advances	FY 2022-24	FY 2022-23
Carrying amount of derecognised financial assets	2,485.19	2,274.81
Gain from derecognition for the year	177.77	149.85

The table below summarises the carrying amount of the continuing involvment in derecognised financial assets

(₹ in Crores)

Loans and advances	As at March 31, 2024	As at March 31, 2023
Carrying amount of continuing involvement in derecognised financial assets	896.94	847.68

40.2 Transferred financial assets that are not derecognised in their entirety:

The Company uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in Crores)

Securitisations	As at March 31, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	144.99	179.55
Carrying amount of associated liabilities	145.28	179.68
Fair value of assets	144.99	179.55
Fair value of associated liabilities	145.28	179.68

41. Related Party Disclosures as per Ind AS – 24 "Related Party Disclosure" for the year ended March 31, 2024

Nature of relationship	Name of Party
Holding company	IIFL Finance Limited
Subsidiary company	IIHFL Sales Limited
Fellow Subsidiary & Associate	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited) (ceased to be an associate from July 27, 2022)
Other Related Parties (Due to common Promoter)	IIFL Facilities Services Limited
	IIFL Securities Limited
	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)
	Livlong Protection & Wellness Solutions Limited (Formerly IIFL Corporate Services Limited)
	5Paisa Capital Limited
	India Infoline Foundation
	360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited)
	360 One WAM Limited (Formerly IIFL Wealth Management Limited)

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Nature of relationship	Name of Party
Key Management Personnel and other Directors	Mr. Nirmal Jain - Non-Executive Director
	Mr. R Venkataraman - Non-Executive Director
	Mr. S. Sridhar - Chairman and Independent Director
	Mr. AK Purwar - Independent Director
	Mr. Kranti Sinha - Independent Director (ceased w.e.f. August 08, 2023)
	Ms. Mohua Mukherjee - Independent Director
	Mr. Mathew Joseph - Independent Director (w.e.f. October 31, 2023)
	Mr. Venkataramanan Anantharaman - Independent Director (w.e.f. February 21, 2023)
	Mr. Monu Ratra - Executive Director & CEO
	Mr. Kabir Mathur - Nominee Director (w.e.f. August 22, 2022)
	Mr. Gaurav Seth - Chief Financial Officer (w.e.f. October 17, 2023)
	Mr. Amit Gupta - Chief Financial Officer (upto October 17, 2023)
	Mr. Ajay Jaiswal - Company Secretary

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

41.A Significant transactions with related parties:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Interest Income						
IIFL Finance Limited	21.11	-	-	-	-	21.11
	(1.07)	(-)	(-)	(-)	(-)	(1.07)
IIFL Securities Limited	-	-	-	8.81	-	8.81
	(-)	(-)	(-)	(0.15)	(-)	(0.15)
IIHFL Sales Limited	-	-	-	-	-	-
	(-)	(0.19)	(-)	(-)	(-)	(0.19)
5paisa Capital Limited	-	-	-	6.75	-	6.75
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	5.51	-	-	5.51
	(-)	(-)	(9.94)	(-)	(-)	(9.94)
Interest Expense						
IIFL Securities Limited	-	-	-	0.33	-	0.33
	(-)	(-)	(-)	(0.66)	(-)	(0.66)
360 One WAM Limited	-	-	-	0.11	-	0.11
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Management Services Limited	-	-	-	0.16	-	0.16
	(-)	(-)	(-)	(0.33)	(-)	(0.33)
Corporate Social Responsibility Expense (CSR)						
India Infoline Foundation	-	-	-	16.46	-	16.46
	(-)	(-)	(-)	(8.52)	(-)	(8.52)
CSR Unspent amount refund received						
India Infoline Foundation	-	-	-	3.54	-	3.54
	(-)	(-)	(-)	(-)	(-)	(-)
Arranger fees Expense / Loan Sourcing Fee						
IIFL Securities Limited	-	-	-	0.84	-	0.84
	(-)	(-)	(-)	(0.40)	(-)	(0.40)
IIHFL Sales Limited	-	22.74	-	-	-	22.74
	(-)	(15.65)	(-)	(-)	(-)	(15.65)
Commission/ Brokerage Expense						
IIFL Securities Limited	-	-	-	0.07	-	0.07
	(-)	(-)	(-)	(-)	(-)	(-)
Brokerage Expense Reversal						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.98)	(-)	(0.98)

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Rent Expense						
IIFL Facilities Services Limited	-	-	-	3.53	-	3.53
	(-)	(-)	(-)	(1.70)	(-)	(1.70)
Remuneration and Compensation to KMP						
Mr. Monu Ratra - Remunerations	-	-	-	-	6.39	6.39
	(-)	(-)	(-)	(-)	(4.64)	(4.64)
Mr. Monu Ratra - Short Term Benefit	-	-	-	-	11.11	11.11
(including perquisites)	(-)	(-)	(-)	(-)	(3.40)	(3.40)
Mr. Monu Ratra - Post Employment Benefit	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Gaurav Seth - Remunerations	-	-	-	-	1.39	1.39
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Gaurav Seth - Short Term Benefit	-	-	-	-	1.11	1.11
(including perquisites)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Gaurav Seth - Post Employment Benefit	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Amit Gupta - Remunerations	-	-	-	-	0.47	0.47
	(-)	(-)	(-)	(-)	(0.79)	(0.79)
Mr. Amit Gupta - Short Term Benefit	-	-	-	-	0.05	0.05
(including perquisites)	(-)	(-)	(-)	(-)	(0.26)	(0.26)
Mr. Amit Gupta - Post Employment Benefit	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.00)	(0.00)
Mr. Ajay Jaiswal - Remunerations	-	-	-	-	1.01	1.01
	(-)	(-)	(-)	(-)	(0.88)	(0.88)
Mr. Ajay Jaiswal - Short Term Benefit	-	-	-	-	0.57	0.57
(including perquisites)	(-)	(-)	(-)	(-)	(0.63)	(0.63)
Mr. Ajay Jaiswal - Post Employment Benefit	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Short Term Benefits - Sitting Fees paid to Directors						
Mr. Kranti Sinha	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.09)	(0.09)
Mr. S. Sridhar	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	(0.11)	(0.11)
Mr. AK Purwar	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Mathew Joseph	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Venkataramanan Anantharaman	-	-	-	-	0.05	0.05
	(-)	(-)	(-)	(-)	(0.00)	(0.00)
Ms. Mohua Mukherjee	-	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Commission to Directors						
Mr. Kranti Sinha	-	-	-	-	0.13	0.13
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. S. Sridhar	-	-	-	-	0.24	0.24
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Mr. Mathew Joseph	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Venkataramanan	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Mohua Mukherjee	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(0.10)	(0.10)

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Interim Dividend Payment						
IIFL Finance Limited	115.32	-	-	-	-	115.32
	(83.87)	(-)	(-)	(-)	(-)	(83.87)
Interim Dividend Received						
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(1.25)	(-)	(-)	(1.25)
ICD/Loan Given						
IIFL Finance Limited	1,450.00	-	-	-	-	1,450.00
	(300.00)	(-)	(-)	(-)	(-)	(300.00)
IIFL Securities Limited	-	-	-	1,025.00	-	1,025.00
	(-)	(-)	(-)	(370.00)	(-)	(370.00)
IIHFL Sales Limited	-	-	-	-	-	-
	(-)	(8.00)	(-)	(-)	(-)	(8.00)
5paisa Capital Limited	-	-	-	430.00	-	430.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	400.00	-	-	400.00
	(-)	(-)	(775.00)	(-)	(-)	(775.00)
ICD/Loan received back						
IIFL Finance Limited	1,450.00	-	-	-	-	1,450.00
	(300.00)	(-)	(-)	(-)	(-)	(300.00)
IIFL Securities Limited	-	-	-	1,025.00	-	1,025.00
	(-)	(-)	(-)	(370.00)	(-)	(370.00)
IIHFL Sales Limited	-	-	-	-	-	-
	(-)	(8.00)	(-)	(-)	(-)	(8.00)
5paisa Capital Limited	-	-	-	430.00	-	430.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	400.00	-	-	400.00
	(-)	(-)	(775.00)	(-)	(-)	(775.00)
Purchase of Investment						
IIFL Finance Limited	63.84	-	-	-	-	63.84
	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Investment - Equity Share						
IIFL Finance Limited	2.38	-	-	-	-	2.38
	(259.08)	(-)	(-)	(-)	(-)	(259.08)
Security Deposit Paid						
IIFL Facilities Services Limited	-	-	-	0.98	-	0.98
	(-)	(-)	(-)	(0.51)	(-)	(0.51)
Net Interest Accrued						
IIFL Securities Limited	-	-	-	0.00	-	0.00
(Formerly India Infoline Limited)	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
360 One Prime Limited	-	-	-	0.07	-	0.07
	(-)	(-)	(-)	(-)	(-)	(-)
Commission on Corporate Guarantee						
IIFL Finance Limited	4.93	-	-	-	-	4.93
	(-)	(-)	(-)	(-)	(-)	(-)
Allocation of expenses paid						
IIFL Securities Limited	-	-	-	3.18	-	3.18
	(-)	(-)	(-)	(3.21)	(-)	(3.21)
IIFL Management Services Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.08)	(-)	(0.08)

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
IIFL Finance Limited	5.31	-	-	-	-	5.31
	(6.58)	(-)	(-)	(-)	(-)	(6.58)
5Paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
IIHFL Sales Limited	-	8.58	-	-	-	8.58
	(-)	(2.56)	(-)	(-)	(-)	(2.56)
IIFL Facilities Services Limited	-	-	-	1.16	-	1.16
	(-)	(-)	(-)	(1.06)	(-)	(1.06)
Reimbursement paid						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(-)	(0.04)
IIFL Finance Limited	0.14	-	-	-	-	0.14
	(0.07)	-	-	-	-	(0.07)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIHFL Sales Limited	-	0.01	-	-	-	0.01
	(-)	(0.01)	(-)	(-)	(-)	(0.01)
ESOP						
IIFL Securities Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	1.33	-	-	-	-	1.33
	(0.49)	(-)	(-)	(-)	(-)	(0.49)
Allocation of expenses received						
IIFL Management Services Limited	-	-	-	0.03	-	0.03
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Securities Limited	-	-	-	0.49	-	0.49
	(-)	(-)	(-)	(0.66)	(-)	(0.66)
5Paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.15	-	0.15
	(-)	(-)	(-)	(0.10)	(-)	(0.10)
IIFL Finance Limited	1.17	-	-	-	-	1.17
	(1.62)	(-)	(-)	(-)	(-)	(1.62)
IIHFL Sales Limited	-	0.11	-	-	-	0.11
	(-)	(0.30)	(-)	(-)	(-)	(0.30)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
Reimbursement received						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
IIFL Finance Limited	0.06	-	-	-	-	0.06
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
5Paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.01)	(-)	(0.01)

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
India Infoline Foundation	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIHFL Sales Limited	-	0.01	-	-	-	0.01
	(-)	(0.12)	(-)	(-)	(-)	(0.12)
Sale of Fixed Assest						
IIHFL Sales Limited	-	0.03	-	-	-	0.03
	(-)	(0.38)	(-)	(-)	(-)	(0.38)
5paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.48	-	-	-	-	0.48
	(0.62)	(-)	(-)	(-)	(-)	(0.62)
IIFL Securities Limited	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.34)	(-)	(0.34)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
Livlong Protection & Wellness Solutions Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
Payment of Assignment Transactions						
IIFL Finance Limited	45.04	-	-	-	-	45.04
	(63.35)	(-)	(-)	(-)	(-)	(63.35)
Purchase of Fixed Assest						
IIHFL Sales Limited	-	0.01	-	-	-	0.01
	(-)	(0.01)	(-)	(-)	(-)	(0.01)
5paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.05)	(-)	(0.05)
IIFL Finance Limited	0.06	-	-	-	-	0.06
	(0.32)	(-)	(-)	(-)	(-)	(0.32)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Securities Limited	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.17)	(-)	(0.17)
Livlong Insurance Brokers Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)

Note: The above remuneration of KMP comprises of salary, allowances, performance bonus, etc but excludes non-monetary value of other perquisites computed on the basis of the Income tax Act, 1961 and Rules thereon.

Figures in () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

41 B. Closing balance:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company						
IIFL Facilities Services Limited	-	-	-	0.12	-	0.12
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Securities Limited	-	-	-	0.31	-	0.31
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Finance Limited	5.88	-	-	-	-	5.88
	(-)	(-)	(-)	(-)	(-)	(-)
5paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIHFL Sales Limited	-	4.99	-	-	-	4.99
	(-)	(2.43)	(-)	(-)	(-)	(2.43)
360 One Distribution Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Receivable from Group/Holding Company						
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.04	-	0.04
	(-)	(-)	(-)	(0.14)	(-)	(0.14)
5 Paisa Capital Ltd	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(-)	(0.04)
IIFL Finance Limited	-	-	-	-	-	-
	(0.07)	(-)	(-)	(-)	(-)	(0.07)
India Infoline Foundation	-	-	-	-	-	-
	(-)	(-)	(-)	(3.06)	(-)	(3.06)
Debt Securities Outstanding						
360 One WAM Limited	-	-	-	2.09	-	2.09
	(-)	(-)	(-)	(17.75)	(-)	(17.75)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(8.00)	(-)	(8.00)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(4.00)	(-)	(4.00)
Provision for Post Employment Benefits						
Mr. Monu Ratra	-	-	-	-	0.30	0.30
	(-)	(-)	(-)	(-)	(0.27)	(0.27)
Mr. Gaurav Seth					0.04	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Amit Gupta	-	-	-	-	0.16	0.16
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Mr. Ajay Jaiswal	-	-	-	-	0.16	0.16
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Commission Payable						
Mr. Kranti Sinha	-	-	-	-	0.03	0.03
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. S. Sridhar	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Ms. Mohua Mukherjee	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Venkataramanan	-	-	-	-	0.10	0.10

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Mathew Joseph	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
Corporate Guarantee						
IIFL Finance Limited	410.32	-	-	-	-	410.32
	(584.94)	(-)	(-)	(-)	(-)	(584.94)
Security Deposit receivable						
IIFL Facilities Services Limited	1.49	-	-	-	-	1.49
	(0.51)	(-)	(-)	(-)	(-)	(0.51)

Figures in brackets () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands

Please refer ESOP note for ESOP outstanding to KMP's

41 C. Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in Crores)

Name of Related Party	Outstanding as on 31-Mar-24	Maximum Outstanding during the reporting year	Outstanding as on 31-Mar-23	Maximum Outstanding during the previous year
5paisa Capital Limited	-	100.00	-	-
IIFL Finance Limited	-	700.00	-	300.00
IIFL Securities Limited	-	250.00	-	200.00
Samasta Microfinance Limited	-	250.00	-	350.00
IIHFL Sales Limited	-	-	-	6.00

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2024

(₹ in Crores)

Sr. no.	Particulars	within 12 months	After 12 Months	Total
	ASSETS			
1	**Financial Assets**			
	(a) Cash and cash equivalents	771.15	-	771.15
	(b) Bank balance other than (a) above	218.23	81.00	299.23
	(c) Derivative financial instruments	-	-	-
	(d) Receivables			
	(I) Trade receivables	47.94	-	47.94
	(e) Loans	4,679.81	18,460.67	23,140.48
	(f) Investments	105.65	476.48	582.13
	(g) Other financial assets	21.64	464.80	486.44
2	**Non-financial Assets**			
	(a) Current tax assets (net)	-	18.78	18.78
	(b) Deferred tax assets (net)	-	31.46	31.46
	(c) Investment Property	-	2.16	2.16
	(d) Property, plant and equipment	-	7.42	7.42
	(e) Intangible asset under development	-	0.34	0.34
	(f) Other intangible assets	-	0.56	0.56
	(g) Right of use assets	-	38.55	38.55
	(h) Other non-financial assets	-	7.67	7.67
	Total Assets (A)	**5,844.42**	**19,589.89**	**25,434.31**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Sr. no.	Particulars	within 12 months	After 12 Months	Total
	LIABILITIES AND EQUITY			
1	**Financial Liabilities**			
	(a) Derivative financial instruments	-	2.61	2.61
	(a) Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.12	-	3.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	70.61	-	70.61
	(c) Lease liabilities	10.56	30.21	40.77
	(d) Debt securities	771.17	2,841.87	3,613.04
	(e) Borrowings (other than debt securities)	2,509.76	10,523.43	13,033.19
	(f) Subordinated liabilities	25.53	1,011.86	1,037.38
	(g) Other financial liabilities	1,052.19	-	1,052.19
2	**Non-financial Liabilities**			
	(a) Current tax liabilities (net)	4.85	-	4.85
	(b) Provisions	21.02	9.02	30.04
	(c) Other non-financial liabilities	99.11	-	99.11
3	Total liabilities (B)	4,567.91	14,419.00	18,986.91
4	Net Assets (A-B)	1,276.51	5,170.89	6,447.40

Note 42. Maturity Analysis of Assets And Liabilities as at March 31, 2023

(₹ in Crores)

Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
	ASSETS			
1	**Financial Assets**			
	(a) Cash and cash equivalents	1,628.26	-	1,628.26
	(b) Bank balance other than (a) above	168.79	190.50	359.29
	(c) Derivative financial instruments	41.99	-	41.99
	(d) Receivables			
	(I) Trade receivables	40.59	-	40.59
	(e) Loans	3,515.69	14,218.60	17,734.29
	(f) Investments	1,419.87	7.37	1,427.24
	(g) Other financial assets	5.95	446.41	452.36
2	**Non-financial Assets**			
	(a) Current tax assets (net)	-	11.46	11.46
	(b) Deferred tax assets (net)	-	45.62	45.62
	(c) Investment Property	-	2.29	2.29
	(d) Property, plant and equipment	-	7.65	7.65
	(e) Right of use assets	-	0.11	0.11
	(f) Other intangible assets	-	0.44	0.44
	(g) Intangible asset under development		27.78	27.78
	(h) Other non-financial assets	-	5.81	5.81
	Total Assets (A)	**6,821.14**	**14,964.04**	**21,785.18**
	LIABILITIES AND EQUITY			
1	**Financial Liabilities**			
	(a) Derivative financial instruments	-	-	-
	(b) Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.01	-	3.01
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	47.94	-	47.94
	(c) Lease liabilities	6.27	23.45	29.72
	(d) Debt securities	42.85	2,211.37	2,254.22

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
	(e) Borrowings (other than debt securities)	2,934.45	8,686.22	11,620.67
	(f) Subordinated liabilities	93.31	985.00	1,078.31
	(g) Other financial liabilities	897.91	-	897.91
2	**Non-financial Liabilities**			
	(a) Current tax liabilities (net)	16.01	-	16.01
	(b) Provisions	13.01	6.33	19.34
	(c) Other non-financial liabilities	264.85	-	264.85
3	**Total liabilities (B)**	**4,319.61**	**11,912.37**	**16,231.98**
4	**Net Assets (A-B)**	**2,501.53**	**3,051.67**	**5,553.20**

43. RBI Disclosures

43 A. Disclosure made vide Notification "RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21" dated August 06, 2020 on Resolution Framework for COVID-19-related Stress (Resolution Framework 1.0).

(₹ in Crores)

Type of Borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at September 2023	(B) of (A), aggregate debt that slipped into NPA during the half year	(C) Of (A), amount written off during the half year	(D) Of (A), amount paid by the borrower during the half year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at March 2024
Personal Loans	196.18	5.60	8.91	25.63	156.04
Corporate persons	7.55	-	2.72	4.83	-
of which MSMEs	-	-	-	-	-
Others	90.23	4.23	0.75	9.70	75.56
Total	**293.96**	**9.83**	**12.38**	**40.16**	**231.60**

43 B. Disclosure made vide Notification No - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 on "Implementation of Indian Accounting Standards"

As at March 31, 2024

(₹ in Crores)

Asset Classification as per RBI Notes (1)	Asset Classification as per Ind AS 109 (2)	Gross carrying Amount Ind AS* (3)	Loss Allowances (Provisions) as required under Ind AS 109* (4)	Net Carrying Amount (5) = (3)-(4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7)=(4)-(6)
Performing Assets						
Standard	Stage 1	21,991.78	115.40	21,876.38	84.60	30.80
	Stage 2	1,178.78	134.42	1,044.36	17.52	116.90
Subtotal		**23,170.57**	**249.82**	**22,920.74**	**102.12**	**147.70**
Non-Performing Asset						
Substandard	Stage 3	220.39	65.89	154.50	33.30	32.59
Subtotal for Substandard		**220.39**	**65.89**	**154.50**	**33.30**	**32.59**
Doubtful upto 1 year	Stage 3	103.42	33.94	69.48	29.82	4.12
1 to 3 years	Stage 3	16.48	6.84	9.64	6.84	0.00
More than 3 years	Stage 3	0.62	0.62	-	0.62	0.00
Subtotal for doubtful		**120.52**	**41.40**	**79.12**	**37.28**	**4.13**
Loss	Stage3	-	-	-	-	-
Subtotal for NPA*		**340.91**	**107.29**	**233.62**	**70.57**	**36.72**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Asset Classification as per RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norm	Stage 1	3,188.73	11.68	3,177.05	-	11.68
	Stage 2	38.43	2.20	36.23	-	2.20
	Stage 3	-	-	-	-	-
Subtotal for Other Items		**3,227.16**	**13.88**	**3,213.28**	**-**	**13.88**
Total	Stage 1	**25,180.52**	**127.09**	**25,053.43**	**84.60**	**42.48**
	Stage 2	**1,217.22**	**136.62**	**1,080.59**	**17.52**	**119.10**
	Stage 3	**340.91**	**107.29**	**233.62**	**70.57**	**36.72**
	Total	**26,738.64**	**371.00**	**26,367.64**	**172.70**	**198.30**

As at March 31, 2023

(₹ in Crores)

Asset Classification as per RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	16,754.94	248.09	16,506.86	91.87	156.21
	Stage 2	1,087.31	118.89	968.41	24.44	94.45
Subtotal		17,842.25	366.98	17,475.27	116.31	250.66
Non-Performing Asset						
Substandard	Stage 3	301.80	79.36	222.44	46.39	32.97
Subtotal for Substandard		**301.80**	**79.36**	**222.44**	**46.39**	**32.97**
Doubtful upto 1 year	Stage 3	60.26	16.88	43.39	15.96	0.92
1 to 3 years	Stage 3	21.99	9.91	12.07	9.91	0.00
More than 3 years	Stage 3	2.04	2.04	-	2.04	0.00
Subtotal for doubtful		**84.29**	**28.83**	**55.46**	**27.92**	**0.92**
Loss	Stage3	-	-	-	-	-
Subtotal for NPA*		**386.09**	**108.19**	**277.90**	**74.30**	**33.89**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norm	Stage 1	2,070.33	17.72	2,052.61	-	17.72
	Stage 2	28.09	1.17	26.92	-	1.17
	Stage 3	-	-	-	-	-
Subtotal for Other Items		**2,098.41**	**18.88**	**2,079.53**	**-**	**18.88**
Total	Stage 1	**18,825.27**	**265.80**	**18,559.46**	**91.87**	**173.93**
	Stage 2	**1,115.39**	**120.05**	**995.33**	**24.44**	**95.62**
	Stage 3	**386.09**	**108.19**	**277.90**	**74.30**	**33.89**
	Total	**20,326.75**	**494.05**	**19,832.70**	**190.61**	**303.44**

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

In terms of the requirement as per RBI notifications no.RBI/2019-20/170DOR(NBFC).CC.PDNo.109/22.10.106/2019-20 dated March 13,2020 on implementation of Indian Accounting Standards,Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at March 31,2024 and for March 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.

43C. Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021.

Liquidity Risk Management Framework

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2024		As at Dec 31, 2023		As at Sep 30, 2023		As at June 30, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**	**622.19**	**600.21**	**755.46**	**720.01**	**1,007.78**	**985.60**	**669.74**	**657.02**
	Cash and Bank Balance	51.11	51.11	46.09	46.09	29.51	29.51	30.16	30.16
	Fixed deposits (other than those invested for the purpose of Section 29B of NHB Act, 1987)	-	-	-	-	-	-	-	-
	Liquid Investments	-	-	0.86	0.86	0.37	0.37	-	-
	HQLA Investments	571.08	549.10	708.51	673.05	977.90	955.72	639.58	626.86
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	2.19	2.52	2.92	3.35	11.18	12.85	16.90	19.44
4	Secured wholesale funding	346.46	398.43	321.77	370.04	405.91	466.80	389.64	448.09
5	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements								
	(ii) Outflows related to loss of funding on debt products								
	(iii) Credit and liquidity facilities								

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2024		As at Dec 31, 2023		As at Sep 30, 2023		As at June 30, 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
6	Other contractual funding obligations	124.29	142.93	91.03	104.68	78.79	90.60	50.66	58.26
7	Other contingent funding obligations	214.17	246.29	453.77	521.84	375.46	431.78	319.56	367.49
8	**Total Cash outflows**	**687.11**	**790.17**	**869.49**	**999.91**	**871.34**	**1,002.03**	**776.76**	**893.28**
	Cash Inflows								
9	Secured lending								
10	Inflows from fully performing exposures	295.25	221.44	271.72	203.79	260.05	195.04	249.48	187.11
11	Other cash inflows	225.93	169.45	411.04	308.28	748.25	561.19	553.20	414.90
12	**Total Cash Inflows**	**521.18**	**390.89**	**682.76**	**512.07**	**1,008.30**	**756.23**	**802.68**	**602.01**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		**600.21**		**720.01**		**985.60**		**657.02**
14	**Total Net Cash Outflows**		**399.28**		**487.84**		**250.51**		**291.27**
15	**Liquidity Coverage Ratio(%)**		**150.32%**		**147.59%**		**393.44%**		**225.57%**

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2023		As at December 31, 2022		As at Sep 30, 2022		As at June 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**	**534.79**	**455.78**	**615.33**	**524.53**	**271.48**	**233.63**	**295.71**	**295.71**
	Cash and Bank Balance	8.07	8.07	9.99	9.99	19.18	19.18	34.57	34.57
	Fixed deposits (other than those invested for the purpose of Section 29B of NHB Act, 1987)	-	-	-	-	-	-	261.14	261.14
	Liquid Investments	-	-	-	-	-	-	-	-
	HQLA Investments	526.72	447.71	605.34	514.54	252.30	214.45	-	-
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	12.96	14.91	2.99	3.43	14.13	16.25	5.43	6.24
4	Secured wholesale funding	345.34	397.14	380.65	437.75	356.36	409.81	338.65	389.45

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2023		As at December 31, 2022		As at Sep 30, 2022		As at June 30, 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
5	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	67.38	77.49	52.33	60.17	52.58	60.47	53.71	61.77
7	Other contingent funding obligations	146.10	168.01	144.28	165.93	143.83	165.41	141.03	162.18
8	**Total Cash outflows**	**571.78**	**657.55**	**580.25**	**667.28**	**566.90**	**651.94**	**538.82**	**619.64**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	232.27	174.20	227.60	170.70	217.72	163.29	208.45	156.34
11	Other cash inflows	2,010.82	1,508.12	1,452.96	1,089.72	1,245.75	934.32	159.11	119.33
12	**Total Cash Inflows**	**2,243.09**	**1,682.32**	**1,680.56**	**1,260.42**	**1,463.47**	**1,097.61**	**367.56**	**275.67**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		**455.78**		**524.53**		**233.63**		**295.71**
14	**Total Net Cash Outflows**		**164.39**		**166.82**		**162.98**		**343.97**
15	**Liquidity Coverage Ratio(%)**		**277.26%**		**314.43%**		**143.35%**		**85.97%**

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

43D. Details of loans transferred / acquired during the year ended March 31, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Count of Loan Assigned	17024	15898
2	Amount of Loan transferred	2,485.19	2,274.81
3	Retention of benefitial Economic Interest(MRR)	10%	10%
4	Wgt Average Maturity (Residual Maturity)	207.65 months	191.67 months
5	Wgt Average Holding Period	13.44 months	12.64 months
6	Coverage of Tangible security	100%	100%
7	Rating wise distribution of rated loans	Unrated	Unrated

Note:

(i) The Company has not transferred any non performing assets

(ii) The Company has not acquired any Stressed loans or Special Mention Account

44. Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021 as amended from time to time.

The below mentioned notes have been prepared as per Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 ("IND AS").

44.1. Public disclosure on liquidity risk:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in Crores)

Year	No. of significant counterparties*	Amount*	% of Total Deposits	% of Total Liabilities**
March 31, 2024	15	13,933.13	NA	73.38%
March 31, 2023	16	12,090.16	NA	74.48%

Note :

*The above amount does not include borrowings on account of securitisation transaction.

**Total Liabilities has been computed as Total Liabilities less Equity share capital less Other Equity;

(ii) Top 20 large deposits (amount in ₹ Crores and % of total deposits) – Not Applicable

(iii) Top 10 borrowings

(₹ in Crores)

Year	Amount*	% of Total Liabilities**
March 31, 2024	12,652.10	71.55%
March 31, 2023	10,633.28	71.11%

*Note: The above amount does not include borrowings on account of securitisation transaction.

(iv) Funding Concentration based on significant instrument / product

(₹ in Crores)

Name of the Product	March 31, 2024		March 31, 2023	
	Amount (₹ in Crs.)	% of Total Liabilities*	Amount (₹ in Crs.)	% of Total Liabilities*
Non Convertible Debentures	4,417.78	23.27%	3,332.53	20.53%
Term Loans	12,767.80	67.25%	11,440.84	70.48%
Securitisation	145.28	0.77%	179.68	1.11%
Cash Credit / Overdraft Facilties	120.11	0.63%	0.15	0.00%
Commercial papers	232.64	1.23%	-	0.00%

*Note : Total Liabilities has been computed as Total Liabilities less Equity share capital less Other Equity

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(v) Stock Ratios

(₹ in Crores)

Stock Ratio	March 31, 2024	March 31, 2023
Commercial papers as a % of total public funds	1.32%	-
Commercial papers as a % of total liabilities	1.23%	-
Commercial papers as a % of total assets	0.91%	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
Other short-term liabilities as a % of total public funds	25.83%	28.89%
Other short-term liabilities as a % of total liabilities	24.06%	26.61%
Other short-term liabilities as a % of total assets	17.96%	19.83%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board.

ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time.

The Company also manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

44.2. Disclosure on Principal business criteria

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Total Housing Loans (%)*	66.03%	56.63%
Individual Housing Loans (%)*	63.04%	53.30%

*% of Total assets netted of intangibale assets.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Annex III Schedule to the Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2024 Amount outstanding	As at March 31, 2024 Amount overdue	As at March 31, 2023 Amount outstanding	As at March 31, 2023 Amount overdue
Liabilities side				
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	3,380.40	-	2,254.22	-
: Unsecured	1,037.38	-	1,078.31	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	12,767.80	-	11,440.84	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	232.64	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
Securitisation Liability	145.28	-	179.68	-
Cash credit / Overdraft from Banks	120.11	-	0.15	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side	**Amount outstanding**		**Amount outstanding**	
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
(a) Secured	23,505.36		18,222.71	
(b) Unsecured	6.12		5.62	
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
(i) Lease assets including lease rentals under sundry debtors				
(a) Financial lease	-		-	
(b) Operating lease	-		-	
(ii) Stock on hire including hire charges under sundry debtors				
(a) Assets on hire	-		-	
(b) Repossessed Assets	-		-	
(iii) Other loans counting towards asset financing activities				
(a) Loans where assets have been repossessed	-		-	
(b) Loans other than (a) above	-		-	
5 Break-up of Investments				
Current Investments				
1 Quoted				
(i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	6.30		210.13	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others (Certificate of Deposits and Commercial Papers)	99.35		1,048.01	
2 Unquoted				
(i) Shares	-		-	
(a) Equity				
(b) Preference	-		-	

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2024 Amount outstanding	As at March 31, 2024 Amount overdue	As at March 31, 2023 Amount outstanding	As at March 31, 2023 Amount overdue
(ii) Debentures and Bonds	-		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others (investment in units of AIFs)	-		161.44	
Long Term investments				
1 Quoted				
(i) Share	-		-	
(a) Equity	-		-	
(b) Preference	-		-	
(ii) Debentures and Bonds	243.91		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	50.89		-	
(v) Others (please specify)	-		-	
2 Unquoted				
(i) Shares				
(a) Equity	0.05		0.05	
(b) Preference	-		-	
(ii) Debentures and Bonds	74.93		-	
(iii) Units of mutual funds	-		-	
(iv) Government Securities	-		-	
(v) Others*	115.70		7.61	

6. Borrower group-wise classification of assets financed as in (3) and (4) above:

(₹ in Crores)

Category	Amount net of provisions Secured	Amount net of provisions Unsecured	Amount net of provisions Total	Amount net of provisions Secured	Amount net of provisions Unsecured	Amount net of provisions Total
1 Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2 Other than related parties	23,134.35	6.12	23,140.48	17,728.68	5.62	17,734.29
Total	**23,134.35**	**6.12**	**23,140.48**	**17,728.68**	**5.62**	**17,734.29**

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in Crores)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties				
(a) Subsidiaries	13.74	0.05	14.10	0.05
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2 Other than related parties	583.19	582.08	1,429.60	1,427.19
Total	**596.93**	**582.13**	**1,443.70**	**1,427.24**

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

8. Other information

(₹ in Crores)

Particulars	Amount	Amount
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	340.91	386.09
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	233.62	277.90
(iii) Assets acquired in satisfaction of debt (Note)	-	-

Note:

* Others includes Security Receipts and Units of Securitization Trust for FY 2024 and Units of Securitization Trust for FY 2023.

44.3. Other Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

I. Capital

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
(i) CRAR %	42.84	47.28
(ii) CRAR - Tier I Capital (%)	37.62	39.24
(iii) CRAR - Tier II Capital (%)	5.22	8.04
(iv) Amount of subordinated debt raised as Tier- II Capital	732.70	920.34
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

II) Reserve fund u/s 29C of NHB Act, 1987

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year		
a) Statutory Reserve U/s 29C of the NHB Act, 1987	102.06	46.58
b) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	459.01	356.39
c) Total	561.07	402.97
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred U/s 29C of the NHB Act, 1987	52.51	55.48
b) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	152.89	102.62
Less: a) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision U/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve U/s 29C of the NHB Act, 1987	154.57	102.06
b) Amount of special reserve U/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	611.90	459.01
c) Total	766.47	561.07

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

III) Investments

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
A) Value of Investments		
(i) Gross Value of Investments		
(a) In India*	585.88	1,429.99
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	1.59	0.46
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	584.29	1,429.53
(b) Outside India	-	-
B) Movement of provisions held towards depreciation on investments		
(i) Opening balance	0.46	0.85
(ii) Add: Provisions made during the year	1.13	0.36
(iii) Less: Write-off / Write back of excess provisions during the year	-	0.75
(iv) Closing balance	**1.59**	**0.46**

* Includes investment property of ₹ 2.75 Crs. (as at March 31, 2023 ₹ 2.75 Crs.)

IV) Derivatives

a. Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
(i) The notional principal of swap agreements/ forward contracts	1,505.56	1,331.83
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	0.06
(iii) Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	The Company has entered into derivatives contract with the Schedule Commercial Banks.	
(v) The fair value of the swap book/ forward contracts*	2.61	41.99

* Fair value as at March 31, 2024 represents Derivative Liabilities and for the year end March 31, 2023 represents Derivative Assets

b. Exchange Traded Interest Rate (IR) Derivative

(₹ in Crores)

Particulars	March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2024 (instrument wise)	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-

(₹ in Crores)

Particulars	March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument- wise)	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2023 (instrument-wise)	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

c. **Disclosures on Risk Exposure in Derivatives**

A. **Qualitative Disclosure**

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk.

To manage these risks, the Compnay has board approved policy framework for derivatives, consistent with its general corporate responsibility for corporate governance. The management of derivative activity would be further integrated into the company's overall risk management system.

The rationale for hedging risk in case of the company is to reduce potential costs of financial distress by making the company less vulnerable to adverse market movements in interest rate, exchange rate etc. and also create a stable planning environment to avoid huge fluctuations on the financials of the company due to market movements.

Objectives of the policy

- Identify and manage the company's debt and related interest rate risk
- Reduce overall interest cost of the company
- Management of foreign currency positions, derivative transactions and related risks
- To evaluate and measure these risks and their sensitivity to operations
- Establish processes for monitoring and control of the risks as per policy
- Effective MIS and regular reporting of positions and risks to the Risk Management Committee

B. **Quantitative Disclosure**

(₹ in Crores)

Particulars	Currency Derivatives March 31, 2024	Interest Rate Derivatives March 31, 2023
(i) Derivatives (Notional Principal Amount) For hedging	1,505.56	-
(ii) Marked to Market Positions		
(a) Assets (+)	1.65	-
(b) Liability (-)	-4.26	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

(₹ in Crores)

Particulars	Currency Derivatives March 31, 2023	Interest Rate Derivatives March 31, 2023
(i) Derivatives (Notional Principal Amount) For hedging	1,331.83	-
(ii) Marked to Market Positions		
(a) Assets (+)	44.02	-
(b) Liability (-)	-2.03	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

V) **Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)**

Particulars	1 day to 7 days	8 day to 15 days	15 day to 30/31 days	Over 1 to 2 months	Over 2 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Borrowings from Bank	18.33	10.72	49.50	45.31	386.37	603.04	1,148.16	3,832.40	2,935.28	2,480.10	11,509.20
	(7.62)	(21.33)	(38.55)	(70.47)	(473.82)	(568.78)	(1,203.13)	(3,484.38)	(2,210.32)	(2,147.74)	(10,226.14)
Market Borrowing	6.94	-	84.90	241.54	35.92	70.13	567.05	1,015.16	1,715.60	913.19	4,650.43
	(6.63)	(50.00)	(3.00)	(23.34)	(3.11)	(33.78)	(16.30)	(669.76)	(304.97)	(2,221.64)	(3,332.53)
Foreign Currency Liabilities	-	-	9.44	56.25	-	67.73	135.45	490.77	341.80	422.55	1,523.99
	(2.30)	(-)	(-)	(42.80)	(-)	(443.15)	(62.50)	(250.00)	(250.00)	(343.78)	(1,394.53)
Assets											
Advances	121.11	113.33	576.84	414.99	433.31	950.61	1,988.69	6,443.56	4,299.34	7,798.51	23,140.29
	(94.57)	(84.71)	(446.93)	(310.95)	(327.39)	(989.11)	(971.00)	(5,077.19)	(3,034.23)	(6,398.21)	(17,734.30)
Investments	0.03	0.03	98.32	6.36	0.12	0.26	55.05	104.98	77.81	240.16	583.12
	(99.94)	(99.78)	(398.56)	(259.13)	(196.97)	(0.08)	(161.59)	(51.04)	(28.06)	(132.09)	(1,427.24)
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Computation of (ALM) is based on Management estimation of future inflows and outflows and is relied upon by auditors.

Figures in Brackets () represents previous year's figures.

Maturity pattern of Advances disclosed above are based on behavioural maturity pattern.

Borrowings from Bank includes borrowings from Financial Institutions.

Foreign Currency Liabilities means borrowings from banks

VI) **Exposure**

a) **Exposure to Real Estate Market**

(₹ in Crores)

Category	March 31, 2024	March 31, 2023
a) Direct exposure		
(i) Residential Mortgages-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	22,651.43	17,124.15
(ii) Commercial Real Estate-		
Lending secured by mortgages on commercial real estate's (office buildings retail space multipurpose commercial premises multi-family residential buildings multi-tenanted commercial premises industrial or warehouse space hotels land acquisition development and construction etc.).Exposure would also include non-fund based(NFB)limits;	860.05	1,104.19
(iii) Investments in Mortgage Backed Securities(MBS) and other securitized exposures-		
a. Residential	6.20	7.61
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank(NHB)and Housing Finance Companies(HFCs)	75.93	-
Total Exposure to Real Estate Sector	23,593.62	**18,235.95**

Exposure includes amount outstanding including principal, and interest accrued.

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

b) Exposure to Capital Market

(₹ in Crores)

Category	March 31, 2024	March 31, 2023
(i) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	-	161.44
(iii) Category III	-	-
Total Exposure to capital market	-	**161.44**

Note: Investments are shown as mark to market.

(b)(i) Sectoral exposure

(₹ in Crores)

Sectors	March 31, 2024			March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1 Personal Loans						
i. Housing	18,179.38	191.37	1.05%	12,998.57	232.31	1.79%
ii. Non-housing*	7,357.08	149.54	2.03%	6,192.35	153.78	2.48%
Total Personal loans	**25,536.46**	**340.91**	**1.33%**	**19,190.92**	**386.09**	**2.01%**
2 Others:						
i. Construction Finance	1,202.19	-	-	1,135.84	-	-
Total	**26,738.65**	**340.91**	**1.27%**	**20,326.76**	**386.09**	**1.90%**

* Non-Housing loan includes loans against properties. The above exposure includes sanction but undisbursed amount.

c) Details of financing of parent company products: The Company does not have any exposure in financing of parent company products

d) Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC: The Company has not exceeded the SGL and GBL Limits.

e) Unsecured Advances: The Company does not have any unsecured advances in the form of rights, licenses, authorisations, etc. that are charged as collateral for the purposes of financing. The Company does not have any unsecured advances other than those mentioned in Note 7.

f) Exposure to group companies engaged in real estate business

(₹ in Crores)

Description	March 31, 2024	March 31, 2023
i) Exposure to any single entity in a group engaged in real estate business	-	-
ii) Exposure to all entities in a group engaged in real estate business	-	-

g) Intra group exposures

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
i) Total amount of intra-group exposures	11.85	28.37
ii) Total amount of top 20 intra-group exposures	11.85	28.37
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.04%	0.14%

* Note intra-group exposure includes off balance sheet items (such as Guarantee and Sanctioned but undisbursed loans).

h) Unhedged foreign currency exposure

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
i) Total amount of unhedged foreign currency exposures	-	-

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

44.3A. Related Party Disclosure

(₹ in Crores)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures/Fellow Subsidiary*		Key Management Personnel		Relatives of Key Management Personnel		Directors		Others**		Total	
Items	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Borrowings																
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2.09	29.75	2.09	29.75
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	2.09	29.75	2.09	29.75
Advances																
Outstanding	5.88	-	4.99	-	-	-	-	-	-	-	-	-	0.46	-	11.33	-
Maximum Outstanding	5.88	-	4.99	-	-	-	-	-	-	-	-	-	0.46	-	11.33	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding	-	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-	0.05	0.05
Maximum Outstanding	-	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-	0.05	0.05
Purchase of fixed/other assets	0.06	0.32	0.01	0.01	-	-	-	-	-	-	-	-	0.03	0.22	0.10	0.55
Sale of fixed/other assets	0.48	0.62	0.03	0.38	-	-	-	-	-	-	-	-	0.02	0.39	0.53	1.39
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	0.60	0.99	0.60	0.99
Interest received	21.11	1.07	-	0.19	5.51	9.94	-	-	-	-	-	-	15.56	0.15	42.18	11.35
Others																
Corporate Social Responsibility Expense (CSR)	-	-	-	-	-	-	-	-	-	-	-	-	16.46	8.52	16.46	8.52
CSR Unspent amount refund received	-	-	-	-	-	-	-	-	-	-	-	-	3.54	-	3.54	-
Arranger fees Expense/ Loan Sourcing Fee	-	-	22.74	15.65	-	-	-	-	-	-	-	-	0.84	0.40	23.57	16.05
Commission/ Brokerage Expense	-	-	-	-	-	-	-	-	-	-	-	-	0.07	-	0.07	-
Brokerage Expense Reversal	-	-	-	-	-	-	-	-	-	-	-	-	-	0.98	-	0.98
Remuneration and Compensation to KMP	-	-	-	-	-	-	22.20	10.63	-	-	-	-	-	-	22.20	10.63

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures/Fellow Subsidiary*		Key Management Personnel		Relatives of Key Management Personnel		Directors		Others**		Total	
Items	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Sitting Fees paid to Directors & Commission to Directors	-	-	-	-	-	-	-	-	-	-	1.05	0.64	-	-	1.05	0.64
Interim Dividend Payment	115.32	83.87	-	-	-	-	-	-	-	-	-	-	-	-	115.32	83.87
Interim Dividend Received	-	-	-	-	-	1.25	-	-	-	-	-	-	-	-	-	1.25
ICD/Loan Given	1,450.00	300.00	-	8.00	400.00	775.00	-	-	-	-	-	-	1,455.00	370.00	3,305.00	1,453.00
ICD/Loan received back	1,450.00	300.00	-	8.00	400.00	775.00	-	-	-	-	-	-	1,455.00	370.00	3,305.00	1,453.00
Purchase of Investment	63.84	-	-	-	-	-	-	-	-	-	-	-	-	-	63.84	-
Sale of Investment - Equity Share	2.38	259.08	-	-	-	-	-	-	-	-	-	-	-	-	2.38	259.08
Net Interest Accrued	-	-	-	-	-	-	-	-	-	-	-	-	0.07	-	0.07	-
Commission on Corporate Guarantee	4.93	-	-	-	-	-	-	-	-	-	-	-	-	-	4.93	-
Other Paid	51.82	70.49	8.59	2.57	-	-	-	-	-	-	-	-	8.86	6.63	69.28	79.69
Other Received	1.23	1.73	0.11	0.42	-	-	-	-	-	-	-	-	0.68	0.81	2.02	2.96

* IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited) (ceased to be an associate from July 27, 2022)

** Other Group Companies

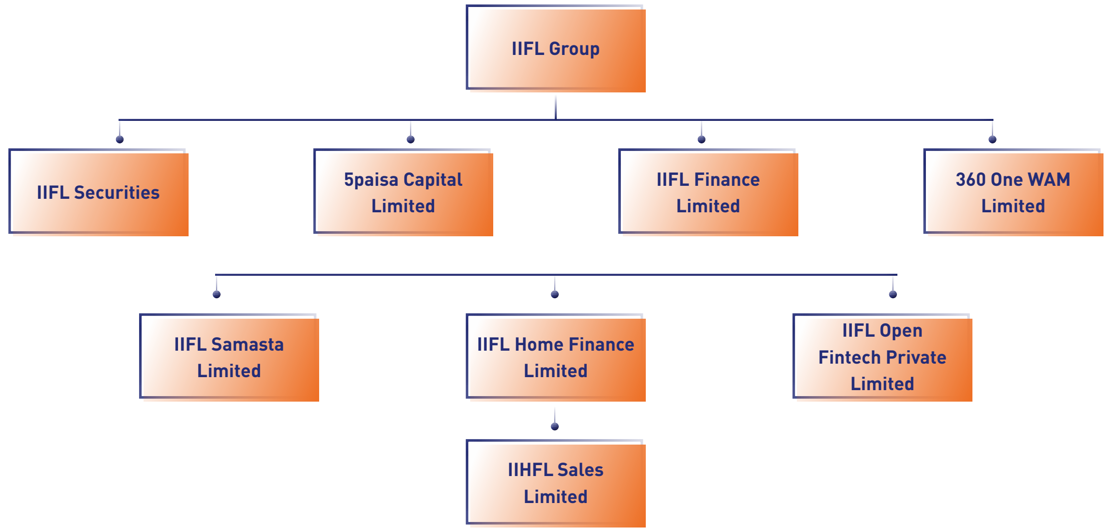
^ ICDs given and taken back have been shown separately

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

44.4. Miscellaneous

I) Details of registration obtained from other financial sector regulators: The Company is acting as corporate agent for general insurance business. It has obtained license from Insurance Regulatory and Development Authority of India (IRDA) (Registration Number CA0453).

II) Group Structure as on March 31, 2024:



III) Note on Rating assigned by Credit Rating Agencies and migration of rating during the year

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2024

(₹ in Crores)

Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	13,300.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	185.00
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	126.52
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Watch Developing (Placed on 'Rating Watch with Developing Implications')	3,587.38
Commercial Paper	CRISIL Limited	CRISIL A1+	5,000.00
Commercial Paper Programme	ICRA Limited	[ICRA]A1+	5,000.00
Non-convertible Debenture Programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	2,743.75
Subordinated Debt programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	238.00
Long Term Fund Based Bank Lines Programme	ICRA Limited	[ICRA]AA; Placed on 'Rating Watch with Negative Implications	5,000.00
Long term market linked debenture programme	ICRA Limited	PP-MLD[ICRA]AA; Placed on 'Rating Watch with Negative Implications	200.00
Non-Convertible Debentures (NCD)	CARE Ratings	CARE AA (RWD) Placed on Rating Watch with Developing Implications	17.00
Secured NCD	Brickwork Ratings	BWR AA+/Negative	15.00
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+/Negative	270.00
NCDs	Brickwork Ratings	BWR AA+/Negative	5,000.00

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

b) Details of Migration of Ratings during the FY 2023-24:

(₹ in Crores)

Instrument	Name of the Rating Agency	Amount Rated	Rating in 2023-24	Rating in 2022-23
Total Bank Loan Facilities Rated	CRISIL Limited	13,300.00	CRISIL AA/Positive	CRISIL AA/Stable
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	185.00	CRISIL PP-MLD AA/ Positive	CRISIL PPMLD AA/Stable
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	126.52	CRISIL PP-MLD AA/ Positive	CRISIL PPMLD AA/Stable
Non Convertible Debentures	CRISIL Limited	3,587.38	CRISIL AA/Positive	CRISIL AA/Stable

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2023

(₹ in Crores)

Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Stable reaffirmed	8,000.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AAr/Stable reaffirmed	185.00
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AAr/Stable reaffirmed	126.52
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Stable reaffirmed	3,645.38
Commercial Paper	CRISIL Limited	CRISIL A1+ reaffirmed	5,000.00
Commercial Paper Programme	ICRA Limited	[ICRA]A1+ reaffirmed	5,000.00
Non-convertible Debenture Programme	ICRA Limited	[ICRA]AA (Stable)/ Reaffirmed	2,743.75
Subordinated Debt programme	ICRA Limited	[ICRA]AA (Stable)/ Reaffirmed	353.00
Long Term Fund Based Bank Lines Programme	ICRA Limited	[ICRA]AA (Stable)/ Reaffirmed	5,000.00
Long term market linked debenture programme	ICRA Limited	PP-MLD[ICRA]AA (Stable)/ Reaffirmed	200.00
Non-Convertible Debentures (NCD)	CARE Ratings	CARE AA; Stable	17.00
Secured NCD	Brickwork Ratings	BWR AA+/Negative Reaffirmed	15.00
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+/Negative Reaffirmed	270.00
NCDs	Brickwork Ratings	BWR AA+/Negative Reaffirmed	5,000.00

b) Details of Migration of Ratings during the FY 2022-23: During the year under review there were no migrations of Ratings.

IV) Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no impact in the profit and loss on account of prior period items on the current year profit and loss. Also refer Material Accounting Policies Note 3.

V) Revenue Recognition : No revenue recognition has been postponed pending the resolution of significant uncertainties.

VI) Applicability of Consolidation of Financial Statements: Refer to the Consolidated Financial Statements for the relevant disclosures.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

44.5. Additional Disclosures

I) Details on Provisions and Contingencies

a) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

(₹ in Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2023-24	2022-23
Provisions for depreciation on Investment*	1.13	0.36
Provision towards NPA**	(7.33)	(40.49)
Provision made towards Income tax	301.37	232.57
Other Provision and Contingencies***	10.70	5.28
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	-122.15	36.89

*Includes depreciation on Investment Property.

** Includes provision towards Trade Receivables of ₹ -6.43 Crores (P.Y. ₹ 6.40 Crores).

***Includes provisions for employee benefits

b) Break up of Loans and Advances and Provisions thereon

(₹ in Crores)

Breakup of Loans and Advances and Provisions thereon	Housing		Non-Housing	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Standard Assets				
a) Total Outstanding Amount	16,808.72	12,350.95	6,361.85	5,491.28
b) Provisions made	144.08	232.26	119.63	153.60
Sub-Standard Assets		-		-
a) Total Outstanding Amount	112.63	191.92	107.76	109.88
b) Provisions made	34.91	53.96	30.97	25.40
Doubtful Assets - Category I		-		-
a) Total Outstanding Amount	69.24	33.67	34.18	26.59
b) Provisions made	23.65	10.02	10.30	6.86
Doubtful Assets - Category II		-		-
a) Total Outstanding Amount	9.39	6.09	7.09	15.90
b) Provisions made	3.88	2.47	2.95	7.44
Doubtful Assets - Category III		-		-
a) Total Outstanding Amount	0.45	0.98	0.18	1.06
b) Provisions made	0.45	0.98	0.18	1.06
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	**17,000.43**	**12,583.62**	**6,511.06**	**5,644.71**
b) Provisions Amount	**206.97**	**299.69**	**164.03**	**194.36**

II. Divergence in the asset classification and provisioning: In terms of the RBI guidelines, HFCs are required to disclose the divergence in asset classification and provisioning consequent to NHB's assessment in their notes to accounts to the financial statements, wherever the additional provisioning assessed / additional gross NPAs identified by NHB exceeds the threshold specified in the guidelines. During the year ended FY 24 inspection was carried out for FY 23 and the final report is awaited.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

III) Details on drawn drown from reserves

The disclosure pertaining to drawn down from Reserves has been disclosed shown in Other Equity (Refer Note 23).

IV) Concentration of Public Deposits, Advances, Exposures and NPAs

a) **Concentration of Public Deposits:** The Company, being a non-deposit taking housing finance company, does not hold any deposits from public.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total deposits of twenty largest depositors	-	-
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	-	-

b) **Concentration of Loans & Advances**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Loans & Advances to twenty largest borrowers	538.13	833.68
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	2.29%	4.57%

c) **Concentration of all Exposure (including off-balance sheet exposure)**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers	1,128.78	981.21
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	4.13%	4.83%

Note: Exposure includes amount outstanding including principal, interest accrued, unamortised processing fee, modification gain loss and sanctioned but undisbursed.

d) **Concentration of NPAs**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top ten NPA accounts	16.57	62.08

e) **Sector wise NPAs - Percentage of NPAs to Total Advances in that sector**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
A. Housing Loans		
1. Individuals	1.18%	1.96%
2. Builders/Project Loans	-	-
3. Corporates	3.86%	2.96%
4. Others (specify)	-	-
B. Non-Housing Loans		
1. Individuals	2.38%	2.61%
2. Builders/Project Loans	0.00%	4.16%
3. Corporates	2.13%	2.93%
4. Others (specify)	-	-

Note:

1. The percentage shown above have been computed basis the NPA amount of the category divided by the outstanding of the respective category. 2. The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

Notes forming part of Standalone Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

IV) Movement of NPAs

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Net NPAs to Net Advances (%)	1.00%	1.52%
(II) Movement of NPAs (Gross)		
a. Opening balance	386.09	489.86
b. Additions during the year	221.75	268.00
c. Reductions during the year	(266.93)	(371.77)
d. Closing balance	**340.91**	**386.09**
(III) Movement of Net NPAs		
a. Opening balance	277.90	339.72
b. Additions during the year	146.52	188.70
c. Reductions during the year	(190.80)	(250.52)
d. Closing balance	**233.62**	**277.90**
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a. Opening balance	108.19	150.14
b. Provisions made during the year	75.23	79.31
c. Write-off/write-back of excess provisions	(76.13)	(121.26)
d. Closing balance	**107.29**	**108.19**

V) Overseas Assets

(₹ in Crores)

Particulars	2023-24	2022-23
N.A.	N.A.	N.A.

VI) Off-balance Sheet SPVs sponsored which are required to be consolidated as per accounting Norms

(₹ in Crores)

Name of the SPV Sponsored	Domestic	Overseas
NA.	N.A.	N.A.

44.6. Disclosure of Complaints

1) **Summary information on complaints received by the Company from customers:**

(₹ in Crores)

Particulars	2022-23	2022-23
Complaints received by the Company from its customers:		
1 Number of complaints pending at beginning of the year	25	16
2 Number of complaints received during the year	782	728
3 Number of complaints disposed during the year	802	719
3.1 Of which, number of complaints rejected by the HFC	NA	NA
4 Number of complaints pending at the end of the year	5	25

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

2) Top five grounds of complaints received by the Company from customers:

(₹ in Crores)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
March 31, 2024					
On account of Credit Linked Subsidy Scheme	2	72	-60%	0	0
On account of ROI related	1	119	42%	0	0
On account of Refund related	4	93	12%	0	0
On account of Disbursement	5	61	0%	0	0
On account of Foreclosure	8	69	15%	0	0
Others	5	368	47%	5	0
Total	**25**	**782**		**5**	**0**
March 31, 2023					
On account of Credit Linked Subsidy Scheme	6	179	-21%	2	0
On account of ROI related	1	84	45%	1	0
On account of Refund related	1	83	19%	4	0
On account of Disbursement	1	61	17%	5	1
On account of Legal	5	70	89%	8	3
Others	2	251	-13%	5	0
Total	**16**	**728**		**25**	**4**

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

44.7. Breach of covenant: There are no instances of breach of covenants for loan availed or debt securities issued.

44.8. Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016: There were 4 cases (Previous Year Nil) of frauds reported during the year where amount involved was ₹ 0.79 crores (Previous Year Nil).

44.9. Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021:

Securitisation transactions under SPV Structure sponsored by HFC*

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
1) No of SPVs sponsored by the HFC for securitisation transactions	3	9
2) Total amount of securitised assets as per books of the SPVs sponsored	144.69	179.55
3) Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
I) Off-balance sheet exposures towards Credit Enhancements	-	-
II) On-balance sheet exposures towards Credit Enhancements	66.64	148.27
4) Amount of exposures to securitisation transactions other than MRR		
I) Off-balance sheet exposures towards Credit Enhancements		
(a) Exposure to own securitizations	-	-
(b) Exposure to third party securitizations	-	-
II) On-balance sheet exposures towards Credit Enhancements		
(a) Exposure to own securitizations	13.31	47.40
(b) Exposure to third party securitizations	-	-

*The disclosure in terms of Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 is not applicable pursuant to Para 4 of the Direction.

Notes forming part of Standalone Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 45: Other Disclosures:

A. Figures for the previous year have been re-grouped / reclassified whereever necessary, to confirm to current year's classification. The details for regrouping are as follows:

(₹ in Crores)

Regrouped to	Regrouped from	Amount
Loans	Assets Held for sale	5.47
Intangible assets under development	Other non-financial assets	0.11
Other non-financial liabilities	Other financial Liabilities	5.20
Interest Income	Net Gain On Derecognition Of Financial Instruments Under Amortized Cost Category	12.13
Interest Income	Net Gain On Derecognition Of Financial Instruments Under Fvtoci	11.48
Impairment on financial instruments	Net Gain On Derecognition Of Financial Instruments Under Amortized Cost Category	28.68
Other expenses - Bank Charges	Other expenses - Office expenses	0.17

B. The company has used 2 accounting software in which the audit trail (edit log) feature is enabled and operated throughout the year. Further, the company has not noted any instances of changes in the audit trail feature during the year.

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

As per our reports attached of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Independent Auditor's Report

To the Members of IIFL Home Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IIFL Home Finance Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by one of joint auditors i.e. S.R. Batliboi & Associates LLP, as reported by them in their audit reports furnished to one of joint auditors by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

A. Key Audit Matters for Holding Company

Key Audit Matter	How our audit addressed the key audit matter
Impairment of loans as at the balance sheet date (including determination of expected credit losses) (as described in note 3(k) of the consolidated financial statements)	
The Company provide for impairment of its loans using the Expected Credit Loss ("ECL") model. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Company's loans. In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative factors for 'significant increase in credit risk' ("SICR") and 'default'. b) Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default, loss given default and exposure at default ; c) Determining effect of less frequent past events on future probability of default. d) Determining macro-economic factors impacting credit quality of loans. In view of the high degree of management's judgement involved in estimation of ECL, impairment of loans as at the balance sheet date (including expected credit losse) is a key audit matter.	Our audit procedures included the following: • Considered the Company's accounting policies for impairment of loans and assessed compliance of the policies with Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines, ("the RBI Guidelines"). • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage or 3 (i.e. the default in repayment is more than 90 days). • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed the adequacy of disclosures included in the consolidated financial statements with the relevant requirements of Ind AS 107 and 109.

Independent Auditor's Report (Contd..)

B. Key Audit Matter for subsidiary company – IIHFL Sales Limited – No key audit matters reported by the subsidiary company's auditor for the year ended March 31, 2024.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director report, but does not include the consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

Independent Auditor's Report (Contd..)

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The accompanying consolidated financial statements includes the audited financial statements and other financial information, in respect of 1 subsidiary, whose financial statements include total assets of ₹ 40.5 Cr as at March 31, 2024, total revenues of ₹ 49.69 Cr, total net profit/(loss) after tax of ₹ (0.38) Cr, total comprehensive income/(loss) of ₹ (0.36) Cr, for the year ended March 31, 2024, and net cash outflows/(inflows) of ₹ (3.62) Cr for the year ended March 31, 2024, as considered in the consolidated financial statements which have been audited by one of the joint auditors of the Company i.e. Suresh Surana & Associates LLP and whose report on the financial statements of this entity have been furnished to other Joint auditors i.e. S.R. Batliboi & Associates LLP by the Management and their opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of one of the joint auditors i.e. Suresh Surana & Associates LLP.

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the report of the above auditor.

Independent Auditor's Report (Contd..)

The comparative financial information of the Group for the corresponding year ended March 31, 2023, included in the consolidated financial statements, were audited by one of the joint auditors i.e. Suresh Surana & Associates LLP and one of the predecessor auditors i.e. M. P. Chitale & Co. who expressed an unmodified opinion on those consolidated financial information on April 24, 2023.

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, based on our audit and on the consideration of report of the other joint auditors on separate financial statements and the other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other joint auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

   (a) We/the other joint auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other joint auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, is disqualified as on March 31, 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 with reference to consolidated financial statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to the its subsidiary incorporated in India for the year ended March 31, 2024;

   (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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 5 to the consolidated financial statements in respect of such items as it relates to the Group;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary incorporated in India during the year ended March 31, 2024.

      iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us

Independent Auditor's Report (Contd..)

and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note no. 38(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note no. 38(i) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The interim dividend declared and paid during the year by the Holding Company and until the date of the respective audit reports of such Holding Company is in accordance with section 123 of the Act.

No dividend has been declared or paid during the year by the subsidiary.

vi) Based on our examination which included test checks, the Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFI2793

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAQ1774

Place: Mumbai
Date: 6 May 2024

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IIFL Home Finance Limited

Re: IIFL Home Finance Limited

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

(₹ in Crores)

S.No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	IIFL Home Finance Lmited	U65993MH2006PLC166475	Holding Company	iii(c)
2	IIHFL Sales Limited	U74999MH2021PLC368361	Subsidiary Company	vii(a)

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFI2793

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAQ1774

Place: Mumbai
Date: 6 May 2024

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IIFL Home Finance Limted

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

In conjunction with our audit of the consolidated financial statements of IIFL Home Finance Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IIFL Home Finance Limted (Contd..)

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S. R. Batliboi & Assosciates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533
UDIN: 24094533BKEXFI2793

Place: Mumbai
Date: 6 May 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W / W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 24102306BKCGAQ1774

Place: Mumbai
Date: 6 May 2024

Consolidated Balance Sheet

as at March 31, 2024

(₹ in Crores)

Sr. no.	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
	ASSETS			
1	**Financial assets**			
	(a) Cash and cash equivalents	4A	781.71	1,635.21
	(b) Bank balance other than (a) above	4B	299.23	359.29
	(c) Derivative financial instruments	5	-	41.99
	(d) Receivables	6		
	(I) Trade receivables		48.18	47.50
	(e) Loans	7	23,114.10	17,721.16
	(f) Investments	8	582.08	1,427.19
	(g) Other financial assets	9	488.50	454.15
2	**Non-financial assets**			
	(a) Current tax assets (net)		20.56	11.66
	(b) Deferred tax assets (net)	10	35.95	45.84
	(c) Investment property	11A	2.16	2.29
	(d) Property, plant and equipment	11B	7.61	7.91
	(e) Intangible asset under development	12	0.34	-
	(f) Right of use assets	13A	57.52	50.22
	(g) Other intangible assets	13B	0.56	0.44
	(h) Other non-financial assets	14	8.22	6.20
	Total assets		**25,446.72**	**21,811.04**
	LIABILITIES AND EQUITY			
1	**Financial liabilities**			
	(a) Derivative financial instruments	5	2.61	-
	(b) Payables	15		
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		3.12	3.01
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		67.97	48.37
	(c) Lease liability	12A	63.26	52.00
	(d) Debt securities	16	3,613.04	2,254.22
	(e) Borrowings (other than Debt securities)	17	13,033.18	11,620.67
	(f) Subordinated liabilities	18	1,037.38	1,078.31
	(g) Other financial liabilities	19	1,052.18	903.12
2	**Non-financial liabilities**			
	(a) Current tax liabilities (net)		4.85	16.01
	(b) Provisions	20	31.04	20.22
	(c) Other non-financial liabilities	21	100.04	261.00
3	**Equity**			
	(a) Equity share capital	22	26.34	26.34
	(b) Other equity	23	6,411.71	5,527.77
	Total liabilities and equity		**25,446.72**	**21,811.04**
	The accompanying notes are an integral part of the consolidated financial statements			

As per our reports of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number:
121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Consolidated 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
(I)	**Revenue from operations**			
	(i) Interest income	24	2,922.29	2,299.95
	(ii) Fees and commission income	25	194.26	114.48
	(iii) Net gain on fair value changes	26	4.47	59.65
	(iv) Net gain on derecognition of financial instruments under FVTOCI	27	-	72.54
	(v) Net gain/(loss) on derecognition of equity shares under cost category		-	6.59
(I)	**Total Revenue from operations**		**3,121.02**	**2,553.21**
(II)	**Other Income**	28	195.74	156.11
(III)	**Total Income (I+II)**		**3,316.76**	2,709.32
	Expenses			
	(i) Finance costs	29	1,330.36	1,183.46
	(ii) Net loss on derecognition of financial instruments under FVTOCI	27	1.03	-
	(iii) Impairment on financial instruments	30	116.64	138.05
	(iv) Employee benefits expenses	31	368.45	263.04
	(v) Depreciation, amortization and impairment	11A-13B	26.46	14.58
	(vi) Other expenses	32	159.47	109.67
(IV)	**Total Expenses**		**2,002.41**	**1,708.80**
(V)	**Profit / (Loss) before tax and share of profit / (loss) of associate (III-IV)**		**1,314.35**	**1,000.52**
(VI)	**Profit / (loss) from associate accounted for using the Equity Method**		-	**3.76**
(VII)	**Profit Before Tax (V +VI)**		**1,314.35**	**1,004.28**
	Tax Expenses:			
	(i) Current tax	33	273.26	230.77
	(ii) Deferred tax	10	24.62	6.18
	(iii) Adjustment of tax relating to earlier periods	33	(0.08)	(0.79)
(VIII)	**Total Tax Expenses**		**297.80**	**236.16**
(IX)	**Profit for the year (VII-VIII)**		**1,016.55**	**768.12**
(X)	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement gain / loss of defined benefit liabilities/(assets)		(0.81)	(0.48)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.20	0.12
	(iii) Share of Other Comprehensive Income of an Associate		-	0.14
	Subtotal (A)		**(0.61)**	**(0.22)**
	B (i) Items that will be reclassified to profit or loss			
	(a) Net movement on effective portion of cash flow hedge		(7.60)	16.83
	(b) Fair value of loans carried at fair value through other comprehensive income		(1.59)	(0.75)
	(ii) Income tax relating to items that will be reclassified to profit or loss		2.31	(4.05)
	Subtotal (B)		**(6.88)**	**12.03**
	Other Comprehensive Income (A+B)		(7.49)	11.81
(XI)	**Total Comprehensive Income for the year (IX+X)**		**1,009.06**	**779.93**
	Profit for the year attributable to:			
	Shareholders of the company		1,016.55	768.12
	Non controlling interest		-	-
	Other Comprehensive Income for the year attributable to:			
	Shareholders of the company		(7.49)	11.81
	Non controlling interest		-	-
	Total Comprehensive Income for the year attributable to:			
	Shareholders of the company		1,009.06	779.93
	Non controlling interest		-	-
(XII)	**Earnings per Equity Share of face value of ₹ 10 each**	34		
	Basic (₹)		385.87	316.90
	Diluted (₹)		384.64	316.90
	The accompanying notes are an integral part of the consolidated financial statements			

As per our reports of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number:
121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Consolidated 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	**1,314.35**	**1,004.28**
Adjustments for:		
Depreciation and amortization	26.46	14.58
Impairment on financial instruments - loans	(128.48)	(3.60)
Finance costs	1,330.36	1,183.46
Interest on Loans	(2,917.05)	(2,299.95)
Net (gain)/loss on derecognition of financial instruments	1.03	(72.54)
Net (gain)/loss on fair value changes	(25.76)	(59.65)
Net (gain)/loss on derecognition of Equity shares under Equity Method	-	(6.59)
Net (gain)/loss on sale of assets	0.03	0.02
Profit from associate	-	(3.76)
Interest paid on borrowings	(1,261.03)	(1,191.07)
(Gain)/loss on termination of lease	(0.96)	(0.06)
Interest received on loans	2,861.38	2,269.74
Employee share based payment expenses	19.77	-
Operating Profit before Working Capital changes	**1,220.10**	**834.86**
Changes in Working Capital:		
Adjustments for (increase)/decrease in Other Financial assets	(35.39)	(23.81)
Adjustments for (increase)/decrease in Trade Receivables	3.19	(16.98)
Adjustments for (increase)/decrease in Other Non Financial assets	(2.63)	(1.28)
Adjustments for (increase)/decrease in Balances with banks - Lien marked	0.06	0.48
Adjustments for (increase)/decrease in Loans	(5,214.36)	(2,388.80)
Adjustments for increase/(decrease) in Trade Payables	22.26	0.44
Adjustments for increase/(decrease) in Other financial liabilities	154.28	(41.33)
Adjustments for increase/(decrease) in Other non-financial liabilities	(166.17)	209.52
Adjustments for increase/(decrease) in Provisions	10.01	5.58
Operating Profit after Working Capital changes	**4008.66**	**(1,421.32)**
Direct Taxes Paid	**(305.44)**	**(238.14)**
Cash generated from/ (used in) Operations	**(4,314.09)**	**(1,659.46)**
Net cash generated from / (used in) Operating Activities (A)	**(4,314.09)**	**(1,659.46)**
Cash flow from Investing Activities		
Purchase of property, plant and equipment (including intangible assets)	(5.34)	(6.98)
Sale of Property, Plant and Equipment	0.66	1.39
Investment in Fixed deposits	(4,810.01)	(2,636.31)
Proceeds from redemption of Fixed deposits	4,871.07	2,710.62
Purchase of investments	(8,654.93)	(21,807.34)
Proceeds from sale of investments (including sale of investment in associate during the previous year)	9,522.32	20,858.43
Proceeds from sale of investment property	-	3.98
Net Cash from / (used in) in Investing Activities (B)	**923.77**	**(876.20)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Cash flow from Financing Activities		
Proceeds from fresh issue of Equity shares including premium	-	2,200.00
Share issue expenses	-	(24.13)
Dividend paid	(144.90)	(105.38)
Proceeds from Borrowings	6,742.96	4,159.31
Repayment of Borrowings	(5,286.75)	(3,510.66)
Proceeds from issue of Debt Securities	1,390.00	330.00
Repayment of Debt Securities	(141.90)	(264.03)
Payment of interest on lease liabilities	(5.89)	(3.61)
Principal payment of lease liabilities	(16.69)	(10.26)
Net Cash from/(used in) Financing Activities (C)	**2,536.82**	**2,771.25**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(853.50)**	**235.59**
Cash and cash equivalents as at the beginning of the year	1,635.21	1,399.62
Cash and cash equivalents as at the end of the year	**781.71**	**1,635.21**
The accompanying notes are an integral part of the consolidated financial statements		

As per our reports of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital*

1. As at March 31, 2024

(₹ in Crores)

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
26.34	-	-	-	26.34

2. As at March 31, 2023

(₹ in Crores)

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
20.97	-	-	5.37	26.34

*Refer Note 22

B. Other Equity

1. As at March 31, 2024

(₹ in Crores)

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	**1.35**	**2,969.65**	**143.86**	**561.07**	**1,837.18**	**-**	**5.57**	**9.09**	**5,527.77**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	1.35	2,969.65	143.86	561.07	1,837.18	-	5.57	9.09	5,527.77
Profit for the year	-	-	-	-	1,016.55	-	-	-	1,016.55
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note B)	-	-	-	-	-	-	(5.70)	-	(5.70)
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	-	(1.19)	(1.19)
Remeasurement of defined benefit (Net of Tax) (Refer Note C)	-	-	-	-	(0.61)	-	-	-	(0.61)
Total Comprehensive Income for the year	**1.35**	**2,969.65**	**143.86**	**561.07**	**2,853.12**	**-**	**(0.13)**	**7.90**	**6,536.84**
Addition during the year (Refer Note E)	-	-	-	-	-	19.77	-	-	19.77
Equity Dividend (Refer Note F)	-	-	-	-	(144.90)	-	-	-	(144.90)
Transfer to Special Reserve (Refer Note D)	-	-	-	205.40	(205.40)	-	-	-	-
Balance at the end of the Current reporting year	**1.35**	**2,969.65**	**143.86**	**766.47**	**2,502.82**	**19.77**	**(0.13)**	7.90	6,411.71

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024 (Contd..)

2. As at March 31, 2023

(₹ in Crores)

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Share Option Outstanding Account	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	**1.35**	**799.16**	**143.86**	**402.97**	**1,332.76**	**-**	**(7.03)**	**9.65**	**2,682.72**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	1.35	799.16	143.86	402.97	1,332.76	-	(7.03)	9.65	2,682.72
Profit for the year	-	-	-	-	768.12	-	-	-	768.12
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note B)	-	-	-	-	-	-	12.60	-	12.60
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	-	(0.56)	(0.56)
Remeasurement of defined benefit (Net of Tax) (Refer Note C)	-	-	-	-	(0.22)	-	-	-	(0.22)
Total Comprehensive Income for the year	**1.35**	**799.16**	**143.86**	**402.97**	**2,100.66**	**-**	**5.57**	**9.09**	**3,462.66**
Addition during the year	-	2,194.62	-	-	-	-	-	-	2,194.62
Share issue expenses (Refer Note A)	-	(24.13)	-	-	-	-	-	-	(24.13)
Equity Dividend (Refer Note F)	-	-	-	-	(105.38)	-	-	-	(105.38)
Transfer to Special Reserve (Refer Note D)	-	-	-	158.10	(158.10)	-	-	-	-
Balance at the end of the Current reporting year	**1.35**	**2,969.65**	**143.86**	**561.07**	**1,837.18**	**-**	**5.57**	**9.09**	**5,527.77**

A. During the year ended March 31, 2023, the Board of Directors of the Company at its meeting held on August 22, 2022 approved the allotment of 5,376,457 fully paid-up equity shares of ₹ 10/- each at a premium of ₹ 4081.91/- per share to a wholly owned subsidiary of Abu Dhabi Investment Authority i.e. Platinum Owl C 2018 RSC Limited, acting in its capacity as the trustee of Platinum Jasmine A 2018 Trust ("Investor") for an aggregate consideration of ₹ 2,200 crores. The investor holds 20% of the share capital (calculated on a fully diluted basis) of the Company. Share issue expenses incurred aggregating to ₹ 24.13 crores has been charged to securities premium account.

B. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024 (Contd..)

C. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.

D. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

E. The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Company.

F. During the year, the Board of Directors of the Company has declared and paid interim dividend of ₹ 55 per equity share (P.Y. ₹ 40/-).

The accompanying notes are an integral part of the consolidated financial statements

As per our reports of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number:
121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024

Note 1. CORPORATE INFORMATION

(a) Company overview

IIFL Home Finance Limited ("IIFL HFL"/ "the Company") (CIN No. U65993MH2006PLC166475), is a subsidiary of IIFL Finance Limited. IIFL HFL received a Certificate of Registration from the National Housing Bank ("NHB") in February 2009 to carry on the business of a housing finance institution. IIFL HFL offers housing finance in line with and RBI Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time. The Company is classified under "Middle Layer" pursuant to Scale Based Regulations prescribed by the RBI vide its Circular Ref. No. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 read with Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale based Regulation) Directions, 2023 dated October 19, 2023 as amended from time to time. The redeemable and non-convertible debentures of the company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company's registered office is at Sun Infotech Park, Road No. 16V, Plot No. B-23 Thane Industrial Area, Wagle Estate, Thane - 400604

Note 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The Consolidated financial statements of IIFL Home Finance Ltd ("the Company") and its subsidiary/associates (together hereinafter referred to as "the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

(b) Basis of Preparation

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

i. Control and Significant Influence

Control is achieved when the Company has all the following:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over investee to affect its returns

Significant Influence

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

ii. Principles of consolidation:

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

B. The effects of all inter-Group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year by the Group.

C. The financial statements of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Group, March 31, 2024, or till the date significant influence exist.

D. The consolidated financial statements of the Group with subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income, and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

E. The investment in associate is accounted for using the equity method of accounting in consolidated financial statement. Under the equity method, the investment in an associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. Dividend received from associates is recognised as reduction in the carrying amount of the investments.

F. The excess of cost to the Group of its investments in the subsidiary and associate companies over its share of equity of the subsidiary and associate companies, at the dates on which the investments in the subsidiary and associate companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

equity in the subsidiary and associate companies as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

iii. List of subsidiary consolidated

Name of the entity	Relationship	Date of Control / Significant influence	Proportion of Ownership Interest (%) As at March 31, 2024
IIHFL Sales Limited	Subsidiary	September 28, 2021	100%

(c) Presentation of financial statements

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

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded in crores upto two decimals thereof except when otherwise stated.

(d) Basis of measurements

A historical cost is a measure of value used in accounting in which the price of an asset on the consolidated balance sheet is based on its nominal or original cost when acquired by the 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 consolidated financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

i. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

ii. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Group's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Group's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.
- Creation of additional management overlay to reflect among other things an increased risk of deterioration in performance of pool of specific assets.

iii. Effective interest rate computation

a. On Financial Assets:

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost that are directly attributable. These estimations are done considering various factors such as historical behaviour patterns of the instrument with respect to average repayment period and cash flows behaviours. Such estimates and assumptions are reviewed by the Group at each reporting date and material changes, if any are given effect to.

b. On Financial Liabilities:

Computation of effective interest rate involves significant estimates and judgements with respect to borrowing tenure, nature, and timings of such estimated cashflows considering the contractual terms of the financial instrument and transactional fees/cost that are directly attributable.

iv. Fair Value Measurements

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

v. Taxes

Current Tax: The Group's tax jurisdiction is in India. Significant judgements are involved in determining the provision for current taxes, including amount expected to be paid/recovered for certain tax positions.

Deferred Tax: Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

vi. Provisions and Contingencies

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

vii. Defined Benefit Plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value of share-based payments: Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black-Scholes model.

Note 3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Revenue recognition

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

i. Interest income and dividend income

Interest income on financial instruments at measured amortised cost/Fair value through other comprehensive income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable except for financial assets which are credit impaired. Interest income on pool of loan accounts which are assigned is recognised net off interest payable to assignees on the assigned pool of loan accounts.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument adjusted for its past behaviour pattern.

Interest income is calculated by applying the EIR to the gross carrying amount of non- credit impaired financial assets (i.e., at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is recognised on receipt basis.

Penal Interest are recognised as income on realisation.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Consolidated Statement of Profit and Loss at initial recognition.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Group's Consolidated Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc are recognised on realisation.

iii. Net gain / (loss) on Fair Value Changes

Net gain / (loss) on Fair Value Changes includes gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Other Income

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

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

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at cost of acquisition, if any, less accumulated depreciation, and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

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

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

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Intangible assets under development".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation, and cumulative impairment.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of Consolidated Balance Sheet are disclosed as "Intangible assets under development."

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset) is included in Consolidated Statement of Profit or Loss in the period in which the Investment property is derecognised.

(e) Depreciation and Amortisation

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset. 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 Group
Investment property Real Estate*	60 years / 30 years	20 years
Computers	3 years	3 years
Office equipment	5 years	5 years
Electrical Equipment*	10 years	5 years
Furniture and fixtures*	10 years	5 years
Vehicles*	8 years	5 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets i.e., Software are amortised on straight-line basis over the estimated useful life of 3 years.

(f) Impairment of Assets other than financials assets

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Consolidated Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

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

Notes forning part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(g) Employee benefits

i. Share based payments.

The Company operates Employee Stock Option Scheme ('the Scheme') which provides for the grant of options to acquire equity shares of the Company to its employees and others providing similar services. The options granted to employees' vest in a graded manner, and these may be exercised by the employees within a specified period.

These equity-settled share-based payments to employees are measured at the fair value of the equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity stock options that will eventually vest, with a corresponding increase in other equity (Share option outstanding account). The fair value of options is estimated using valuation techniques, which incorporate exercise price, term, risk-free interest rates, the current share price, its expected volatility etc.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to the Share option outstanding account.

On cancellation or lapse of option granted to employees, the employee stock option cost charged to statement of profit & loss is credited with corresponding decrease in other equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii. Defined contribution plans

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

iii. Short term employee benefits

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

iv. Defined Benefit Plans

Post-employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Consolidated Statement of Profit and Loss.

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

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

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

(h) Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers

Notes forming part of Consolidated Financial Statements
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whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

As a lessee

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

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

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

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

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

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

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

Lease liability and the right of use asset have been separately presented in the consolidated balance sheet and lease payments have been classified as financing activities.

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

(i) Taxes on income

Current tax

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

Deferred tax

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

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

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

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

(j) Financial instruments

Recognition and Initial Measurement

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

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Consolidated Statement of Profit and Loss.

Financial assets

Classification and Subsequent measurement

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

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial Assets measured at amortised cost.

Financial assets that meet the following criteria are measured at amortised cost.

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g., if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial Assets measured at fair value through other comprehensive income ("FVTOCI")

Financial assets that meet the following criteria are measured at fair value through other comprehensive income. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Consolidated Statement of profit or loss for FVTOC financial assets. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Consolidated Statement of Profit or Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The gain or loss on disposal is recognised in the Consolidated Statement of Profit and Loss.

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Interest income is recognised in the Consolidated Statement of Profit and Loss for FVTPL debt instruments.

All equity investments in scope of Ind AS 109 are measured at fair value are classified as at FVTPL.

Impairment of financial assets

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

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- Full lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the life of the financial instruments.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12-month ECL. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2/ Stage 3 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Group records an allowance for the lifetime expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans show significant increase in credit risk and are considered credit- impaired, the Group records an allowance for the lifetime expected credit losses.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is the maximum exposure as on the reporting date. It includes principal, interest and sanctioned but undisbursed amount (with certain exceptions for Stage 3 & SICR cases). Interest also includes interest accrued but not due.
- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously de-recognised and is still in the portfolio. PD is calculated based on historical default rate summary of past years using historical analysis.
- Loss given default ("LGD") estimates the loss which Group incurs post customer default. It is computed using historical loss, recovery experience and value of collateral. It is usually expressed as a percentage of the Exposure at default ("EAD").

Significant increase in credit risk

The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group measures the loss allowance based on lifetime rather than 12-month ECL.

In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's expert credit assessment.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event; .

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL is based on both qualitative and quantitative indicators such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit- impaired) for ECL calculations and upgraded to Stage 1 only on the event of clearance of all overdue of that customer.

Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the Group assesses whether this modification results in derecognition.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition.

Where a modification does not lead to derecognition the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under assignment arrangement; and either

   (a) the Group has transferred substantially all the risks and rewards of the asset, or

   (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group assesses the derecognition test where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Assignment transactions

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognised, and gains/losses are accounted for, only if the Group transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Consolidated Statement of Profit and Loss and the corresponding loan is derecognised from the Consolidated Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the estimated life of the asset) is recognised on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

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Securitisation transactions

In case of securitisation transactions, the Group retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets. The Group continues to recognise the entire loan and also recognises a collateralised borrowing for the proceeds received.

Write-off

Financial Assets are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in credit to impairment on financial instruments.

Financial liabilities and equity Instruments

Financial liability and equity instruments that are issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are recognised initially at fair value net of transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial liabilities except fair value in case of financial liabilities recorded at fair value through profit or loss.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the interim balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instrument

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion

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is recognised immediately in profit or loss and is included in Consolidated Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non- financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in Consolidated Statement of Profit and Loss.

(l) Cash and cash equivalents

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

(m) Goods and service tax input credit

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

(n) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost.

(o) Foreign currencies

In preparing the consolidated financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

(p) Segment reporting

The Managing Director (MD) of the Company has been identified as the chief operating decision maker (CODM) as defined in the IND AS 108. "Operating Segments." Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and makes strategic decision.

(q) Provisions, contingent liabilities, and contingent assets

Provisions are recognised only when:

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

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

Contingent liability is:

a. possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

b. present obligation that arises from past events but is not recognized because;

    i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

    ii. the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37. Contingent assets are not recognised in the consolidated financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Group recognize such assets. Provisions, contingent liabilities, and contingent assets are reviewed at each Balance Sheet date.

(r) Commitments

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

(s) Earnings per share

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

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

(t) Statement of Cash Flows

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

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

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

(u) Dividend

Final dividend on equity shares is recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Group's Board of Directors. The Corresponding amount is recognised directly in other equity.

Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023. The material pronouncement has been disclosed as below:

Ind AS 1 Presentation of Financial Statements:

The amendments require the Company to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of interim financial statements. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the interim financial statements.

Ind AS 12 Income taxes

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the interim balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

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Note 4A. Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	1.56	1.54
Cheques on hand	1.22	105.73
Balance with banks		
- In current accounts	270.12	89.59
- In deposit accounts (original maturity less than or equal to three months)	508.81	1,438.35
Cash and cash equivalents	**781.71**	**1,635.21**

Note 4B. Bank balances other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Other bank balances		
In earmarked accounts		
- Unclaimed interest and redemption proceeds of NCDs	4.64	4.70
In deposit accounts (refer note 4B.1 below)	294.59	354.59
Total	**299.23**	**359.29**

Note 4B.1 Out of the deposit accounts shown above:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Lien marked towards overdraft facilities	166.54	157.24
Lien marked towards other commitments	47.23	15.42
Margin for credit enhancement	80.80	80.68
Total	**294.57**	**253.34**

Note 5. Derivatives financial instruments

(₹ in Crores)

Part I	As at March 31, 2024				As at March 31, 2023			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
(i) Currency derivatives:								
- Cross currency interest rate swaps	413.10	-	4.26	(4.26)	363.08	44.02	-	44.02
Subtotal (i)	**413.10**	**-**	**4.26**	**(4.26)**	**363.08**	**44.02**	**-**	**44.02**
(ii) Other derivatives								
- Forward contract	1,092.46	1.65	-	1.65	968.75	-	2.03	(2.03)
Subtotal (ii)	**1,092.46**	**1.65**	**-**	**1.65**	**968.75**	**-**	**2.03**	**(2.03)**
Total derivative (i+ii)	**1,505.56**	**1.65**	**4.26**	**(2.61)**	**1,331.83**	**44.02**	**2.03**	**41.99**

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(₹ in Crores)

Part II	As at March 31, 2024				As at March 31, 2023			
	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)	Notional amounts	Fair value - assets	Fair value - liabilities	Net Asset / (Liabilities)
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
- Currency derivatives	413.10	-	4.26	(4.26)	363.08	44.02	-	44.02
- Forward contract	1,092.46	1.65	-	-	-	-	-	-
(ii) Undesignated derivatives								
- Forward contract	-	-	-	1.65	968.75	-	2.03	(2.03)
Total derivative financial instruments (i+ii)	**1,505.56**	**1.65**	**4.26**	**(2.61)**	**1,331.83**	**44.02**	**2.03**	**41.99**

Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk. Refer Note 5.1 and 39 A.3(II).

(₹ in Crores)

Particulars	Total		Exchange traded		Over the counter	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
As at March 31, 2024						
Derivative asset	-	1.65	-	-	-	1.65
Derivative liabilities	-	4.26	-	-	-	4.26
Net Derivative Asset / (Liabilites)	**1,505.56**	**(2.61)**	**-**	**-**	**1,505.56**	**(2.61)**
As at March 31, 2023						
Derivative asset	-	44.02	-	-	-	44.02
Derivative liabilities	-	2.03	-	-	-	2.03
Net Derivative Asset / (Liabilites)	**1,331.83**	**41.99**	**-**	**-**	**1,331.83**	**41.99**

5.1 Hedging activities and derivatives

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts and cross currency interest rate swaps.

The Group is exposed to interest rate risk arising from its foreign currency borrowings amounting to USD 18.16 Crs. (as at March 31, 2023 USD 16.79 Crs.). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Group hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' cross currency interest rate swap and also with a Derivative Forward Contract.

The Group uses Cross Currency Interest Rate Swaps (IRS) Contracts (Floating to Fixed) and Forward Exchange Contracts to hedge its risks associated with interest rate and currency fluctuations arising from foreign currency loans / external commercial borrowings. The Group designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS. These contracts are stated at fair value at each reporting date.

"The Group uses Critical Terms Matching to determine Hedge effectiveness. If the hedge is ineffective, then the movement in the Fair Value is charged to the Statement of Profit and Loss. If the hedge is effective, the movement in the Fair Value of the underlying and the derivative instrument is transferred to "Other Comprehensive Income" in Other Equity.

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

There is an economic relationship between the hedged item and the hedging instrument as the critical terms of the Forward contracts/ Cross Currency Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency interest rate swaps are identical to the hedged risk components.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Notional amount	1,505.56	1,331.83
Carrying amount - Asset / (Liability)	(2.61)	41.99
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument
Change in fair value used for measuring ineffectiveness for the year	(5.70)	10.04

(₹ in Crores)

Impact of hedging item	FY 2023-24	FY 2022-23
Change in fair value	(5.70)	10.04
Cash flow hedge reserve	(5.70)	12.60
Fair value change charged in Statement of Profit & Loss	-	(2.56)

(₹ in Crores)

Effect of Cash flow hedge	FY 2023-24	FY 2022-23
Total hedging gain / (loss) recognised in OCI	(5.70)	12.60
Total hedging gain / (loss) recognised in the statement of profit or (loss)	-	(2.56)

(₹ in Crores)

Hedging gain / (loss) recognised in OCI	FY 2023-24	FY 2022-23
(Gain)/Loss On Swap Transaction	56.13	49.60
(Gain)/Loss On Mark To Market On Fluctuation Of Foreign Exchange	(48.52)	(32.76)
Tax implication on above	(1.91)	(4.24)
Total	**5.70**	**12.60**

(₹ in Crores)

Hedging gain / (loss) recognised in the statement of profit or (loss)	FY 2023-24	FY 2022-23
Gain/(Loss) On Swap Transaction	-	(0.53)
Gain/(Loss) On Mark To Market On Fluctuation Of Foreign Exchange	-	(2.03)
Total	**-**	**(2.56)**

Note 6. Receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade receivables		
Receivables considered good - unsecured	48.02	47.42
Receivables which have significant increase in credit risk	0.20	0.10
Receivables - credit impaired	-	6.45
Total - gross	**48.22**	**53.97**
Less: Impairment loss allowance		
Receivables which have significant increase in credit risk	(0.04)	(0.02)
Receivables - credit impaired	-	(6.45)
Total	**48.18**	**47.50**

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.

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Trade Receivables aging schedule

(₹ in Crores)

Particulars	Outstanding for following period from the date of transaction						Total
	Unbilled	Less than 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2024							
Undisputed Trade receivables – considered good.	10.98	37.04	-	-	-	-	48.02
Undisputed Trade receivables – significant increase in credit risk	-	0.03	0.15	0.02	-	-	0.20
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
As at March 31, 2023							
Undisputed Trade receivables – considered good.	2.34	45.08	-	-	-	-	47.42
Undisputed Trade receivables – significant increase in credit risk	-	0.06	0.04	-	-	-	0.10
Undisputed Trade recievables - credit impaired	-	-	6.45	-	-	-	6.45

Less than 6 months include ₹ 36.86 crs. which are not due as at March 31, 2024 (P.Y. ₹ 30.22 crs.)

Note 7. Loans

(₹ in Crores)

Particulars	As at March 31, 2024		
	Amortised cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	19,656.78	3,828.32	23,485.10
Total (A) - Gross	**19,656.78**	**3,828.32**	**23,485.10**
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (A) - Net	**19,303.25**	**3,810.85**	**23,114.10**
(B)			
(i) Secured by tangible assets	19,593.36	3,828.32	23,421.68
(ii) Secured by Government Guarantee	57.30	-	57.30
(iii) Unsecured	6.12	-	6.12
Total (B) - Gross	**19,656.78**	**3,828.32**	**23,485.10**
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (B) - Net	**19,303.25**	**3,810.85**	**23,114.10**
(C)			
(I) Loans in India	**19,656.78**	**3,828.32**	**23,485.10**
(i) Public sector	-	-	-
(ii) Other than Public sector	19,656.78	3,828.32	23,485.10
Less: Impairment loss allowance	(353.53)	(17.47)	(371.00)
Total (C) -(I) Net	**19,303.25**	**3,810.85**	**23,114.10**
(II) Loans outside India			
Less: Impairment loss allowance	-	-	-
Total (C) (II)	**-**	**-**	**-**
Total C (I) and C (II)	**19,303.25**	**3,810.85**	**23,114.10**

(₹ in Crores)

Particulars	As at March 31, 2023		
	Amortised cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	15,360.71	2,854.50	18,215.21
Total (A) - Gross	**15,360.71**	**2,854.50**	**18,215.21**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2023		
	Amortised cost	FVTOCI	Total
	1	2	(3=1+2)
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (A) - Net	**14,891.97**	**2,829.19**	**17,721.16**
(B)			
(i) Secured by tangible assets	15,210.70	2,853.78	18,064.48
(ii) Secured by Government Guarantee	144.39	0.72	145.11
(iii) Unsecured	5.62	-	5.62
Total (B) - Gross	**15,360.71**	**2,854.50**	**18,215.21**
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (B) - Net	**14,891.97**	**2,829.19**	**17,721.16**
(C)			
(I) Loans in India	**15,360.71**	**2,854.50**	**18,215.21**
(i) Public sector	-	-	-
(ii) Other than Public sector	15,360.71	2,854.50	18,215.21
Less: Impairment loss allowance	(468.74)	(25.31)	(494.05)
Total (C) -(I) Net	**14,891.97**	**2,829.19**	**17,721.16**
(II) Loans outside India			
Less: Impairment loss allowance	-	-	-
Total (C) (II)	**-**	**-**	**-**
Total C (I) and C (II)	**14,891.97**	**2,829.19**	**17,721.16**

The above Term Loans includes ₹ 229.19 Crores. (as at March 31, 2023, ₹ 172.98 Crores.) towards interest accrued and overdues, unamortised processing fee, gain/loss on modification of financial assets and gain/loss on FVTOCI.

a. Secured loans given to customers are secured by equitable mortgage of property. Loans secured by Government Guarantee are credit facilities provided under the Emergency Credit Line Guarantee Scheme backed by an unconditional and irrevocable guarantee provided by Government of India.

b. Unsecured represents amount where in the exposure exceeds the collateral value.

Note 7.1:

The Group has not granted any loans or advances in the nature of loans, to promoters, Directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are either repayable on demand or without specifying any terms or period of repayment during the year.

Note 8. Investments

(₹ in Crores)

Particulars	As at March 31, 2024		
	FVTPL	At Amortised Cost	Total
(A)			
(i) Investments in Government Securities	50.89	-	50.89
(ii) Investments in Debt Securities	241.21	75.93	317.14
(iii) Investment in Others:			
(a) Pass through cetificates	-	6.20	6.20
(b) Commercial Papers	-	99.35	99.35
(c) Security receipts	109.50	-	109.50
Total – Gross (A)	**401.60**	**181.48**	**583.08**
(B)			
(i) Investments in India	401.60	181.48	583.08
Total (B)	**401.60**	**181.48**	**583.08**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	As at March 31, 2024		
	FVTPL	At Amortised Cost	Total
(C)			
Less: Impairment loss allowance	-	(1.00)	(1.00)
Total- Net (A-C)	**401.60**	**180.48**	**582.08**

(₹ in Crores)

Particulars	As at March 31, 2023		
	FVTPL	At Amortised Cost	Total
(A)			
(i) Investments in Debt Securities	210.13	-	210.13
(ii) Investment in Others:			
(a) Alternate Investment Funds	161.44	-	161.44
(b) Pass through cetificates	-	7.61	7.61
(c) Certificate of Deposits	-	650.59	650.59
(d) Commercial Papers	-	397.42	397.42
Total – Gross (A)	**371.57**	**1,055.62**	**1,427.19**
(B)			
(i) Investments in India	371.57	1,055.62	1,427.19
Total (B)	**371.57**	**1,055.62**	**1,427.19**
(C)			
Less: Impairment loss allowance	-	-	-
Total- Net (A-C)	**371.57**	**1,055.62**	**1,427.19**

Note 8.1 Investment Details Script Wise

Particulars	As at March 31, 2024	
	Quantity (in actuals)	Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.24
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.34
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	26.55
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	6.30
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.71
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.77
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.78
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	26.14
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	26.39
Adani Ports And Special Economic Zone Limited SR 1 8.70 NCD 09JN29 FVRS1LAC	5,000	50.99
Total		**241.21**
Measured at Amortised Cost:		
Vatika One India Next Private Limited - 15.75 NCD FV Rs 1 Lac	4,240	44.98
Vatika Limited - 16.55 NCD FV Rs 1 Lac	2,873	30.95
Total		**75.93**
Investment in Other securities:		
Investment in Security Receipts		
RARE ARC 06803	10,95,000	109.50
Investment in Government Securities		
7.18% G.S. 2033	50,00,000	50.89
Pass through cetificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	6.20

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Particulars	As at March 31, 2024 Quantity (in actuals)	As at March 31, 2024 Carrying Value (₹ in Crores)
Commercial Papers:	-	-
Deutsche Investments India Private Limited 162D CP 30Apr24	1,000	49.66
National Bank For Agriculture And Rural Development 91D CP 30Apr24	1,000	49.69
Total		**99.35**

Particulars	As at March 31, 2023 Quantity (in actuals)	As at March 31, 2023 Carrying Value (₹ in Crores)
Investments in Debt Securities		
Measured at FVTPL:		
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 29May26 FV ₹ 10Lac	22	2.25
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May25 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 30May31 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May23 FV ₹ 2.5Lac	250	6.31
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May24 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May27 FV ₹ 10Lac	250	25.16
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May28 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May29 FV ₹ 10Lac	250	25.15
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May30 FV ₹ 10Lac	250	25.21
Andhra Pradesh State Beverages Corporation Limited Sr-I 9.62 Bd 31May32 FV ₹ 10Lac	250	25.21
Total		**210.13**
Investment in Other securities:		
Alternate Investment Funds		
IIFL One Value Fund Series B	13,43,13,931	161.44
Pass through cetificates		
Elite Mortgage HL Trust June 2019 Series A PTC	5	7.61
Certificate of Deposits:		
Axis Bank Limited CD 15May23	500	24.79
Bank of Maharashtra CD 05Apr23	2,000	99.92
Bank of Maharashtra CD 12May23	1,000	49.60
Canara Bank CD 17Apr23	2,000	99.69
HDFC Bank Limited CD 13Apr23	2,000	99.77
HDFC Bank Limited CD 15May23	1,600	79.33
Punjab National Bank CD 18May23	2,000	99.09
Punjab National Bank CD 23Jun23	2,000	98.40
Total		**650.59**
Commercial Papers:		
National Bank For Agriculture And Rural Development 90D CP 20Apr23	6,000	298.87
Small Industries Development Bank of India 91D CP 16Jun23	2,000	98.55
Total		**397.42**

Note 9. Other financial assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits		
- Unsecured, considered good	5.71	4.19
- Unsecured, which have significant increase in credit risk	0.76	0.92
Less: Impairment loss allowance (Refer Note 9.1 below)	(0.76)	(0.92)
Interest strip asset on assignment	374.55	375.59
Other receivables*	108.25	74.37
Total	**488.50**	**454.15**

*Includes amount pertaining to receivables on account of assignment transaction

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 9.1. Impairment loss allowance on Security Deposits

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening provision	0.92	0.80
Additions	0.04	0.13
Reductions	(0.18)	(0.01)
Closing provision	**0.76**	**0.92**

Note 10. 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:				
Property, Plant and Equipment	0.64	0.12	-	0.76
Expected credit losses	127.22	(33.59)	-	93.63
Provision for employee benefits	2.67	1.56	0.20	4.43
Lease Liabilities	13.37	2.89	-	16.26
Adjustment pertaining to income and expenses recognition based on effective interest rate	26.83	7.46	-	34.29
Fair value of financial instruments	-	-	0.40	-
Fair value of derivative financial instruments	(11.20)	-	14.13	2.92
Total deferred tax assets (A)	**159.54**	**(21.56)**	**14.73**	**152.69**
Deferred tax liabilities:				
Interest strip asset on assignment	(94.53)	0.26	-	(94.27)
Fair value of financial instruments	(6.51)	(1.49)	-	(8.00)
Right of use of Assets	(12.66)	(1.82)		(14.48)
Total deferred tax liabilities (B)	**(113.70)**	**(3.05)**	**-**	**(116.74)**
Deferred tax assets (A+B)	**45.84**	**(24.61)**	**14.73**	**35.95**

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	0.65	(0.01)	-	0.64
Expected credit losses	128.13	(0.91)	-	127.22
Provision for employee benefits	1.64	0.91	0.12	2.67
Lease Liabilities	0.67	0.05	-	0.72
Adjustment pertaining to income and expenses recognition based on effective interest rate	20.17	6.66	-	26.83
Total deferred tax assets (A)	**151.26**	**6.70**	**0.12**	**158.08**
Deferred tax liabilities:				
Provision for Bad and Doubtful debts under section 36(1)(viia)	(8.83)	8.83	-	-
Interest strip asset on assignment	(76.27)	(18.26)	-	(94.53)
Fair value of financial instruments	(3.23)	(3.45)	0.17	(6.51)
Fair value of derivative financial instruments	1.27	-	(12.47)	(11.20)
Total deferred tax liabilities (B)	**(87.06)**	**(12.88)**	**(12.30)**	**(112.24)**
Deferred tax assets (A+B)	**64.20**	**(6.18)**	**(12.18)**	**45.84**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 11A. Investment Property

(₹ in Crores)

Particulars	Building
As at April 01, 2022	**7.48**
Additions	-
Deductions/Adjustments	4.73
As at March 31, 2023	**2.75**
Additions	-
Deductions/Adjustments	-
As at March 31, 2024	**2.75**
Accumulated Depreciation	
As at April 01, 2022	**0.85**
Depreciation for the year	0.36
Deductions/Adjustments	0.75
As at March 31, 2023	**0.46**
Depreciation for the year	0.13
Deductions/Adjustments	-
As at March 31, 2024	**0.59**
Net Block as at March 31, 2023	**2.29**
Net Block as at March 31, 2024	**2.16**

Note 11A.1. Reconciliation of changes in the fair value of the Investment Property

(₹ in Crores)

Particulars	Building
As at April 01, 2022	**8.78**
Additions resulting from acquisition	-
Changes in the fair value (including sale)	(5.10)
As at March 31, 2023	**3.68**
Additions to fair value	-
Changes in the fair value (including sale)	0.22
As at March 31, 2024	**3.90**

The Fair Value of the Investment Property has been arrived on the basis of valuation carried out by an independent un-registered Valuer. The fair value measurement for investment property has been categorised as Level 2 fair value based on the inputs to the valuation technique used.

Note 11A.2. Title deeds of Immovable Property not held in name of the Company

As at March 31, 2024

(₹ in Crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Acquired in the SARFAESI Proceedings

As at March 31, 2023

(₹ in Crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Acquired in the SARFAESI Proceedings

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 11B. Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land*	Furniture & Fixture	Office Equipment	Electrical Equipment	Computers	Vehicles	Total
As at April 01, 2022	**0.09**	**1.53**	**0.95**	**0.78**	**10.28**	**-**	**13.63**
Additions	-	0.22	0.15	0.64	4.61	0.69	6.30
Deductions/Adjustments	-	0.08	0.01	0.04	2.18	-	2.31
As at March 31, 2023	**0.09**	**1.67**	**1.09**	**1.38**	**12.71**	**0.69**	**17.64**
Additions	-	0.62	0.25	0.45	3.91	-	5.23
Deductions/Adjustments	-	0.32	0.08	0.15	2.55	-	3.10
As at March 31, 2024	**0.09**	**1.97**	**1.26**	**1.68**	**14.07**	**0.69**	**19.77**
Accumulated Depreciation							
As at April 01, 2022	**-**	**0.95**	**0.63**	**0.51**	**4.97**	**-**	**7.06**
Depreciation for the year	-	0.26	0.15	0.21	2.85	0.05	3.52
Deductions/Adjustments	-	0.07	0.01	0.04	0.74	-	0.86
As at March 31, 2023	**-**	**1.14**	**0.77**	**0.68**	**7.08**	**0.05**	**9.73**
Depreciation for the year	-	0.34	0.17	0.27	3.49	0.14	4.41
Deductions/Adjustments	-	0.23	0.04	0.08	1.62	-	1.97
As at March 31, 2024	**-**	**1.25**	**0.90**	**0.87**	**8.94**	**0.19**	**12.16**
Net Block as at March 31, 2023	**0.09**	**0.53**	**0.32**	**0.70**	**5.63**	**0.64**	**7.91**
Net Block as at March 31, 2024	**0.09**	**0.72**	**0.36**	**0.81**	**5.13**	**0.50**	**7.61**

* The above Freehold Land is hypothecated with Debenture Trustee(s) for issue of secured non-convertible debentures.

Note 12. Intangible asset under development

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	0.11	-
Additions during the year*	0.34	0.11
Capitalised during the year	0.11	-
Closing balance	**0.34**	**0.11**

*Amount is included in Other Non-financial Assets as at March 31, 2023.

Statement showing ageing schedule of Intangible Assets under development

(₹ in Crores)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.34	-	-	-	0.34
Projects temporarily suspended	-	-	-	-	-
TOTAL	**0.34**	**-**	**-**	**-**	**0.34**

(₹ in Crores)

Particulars	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	0.11	-	-	-	0.11
Projects temporarily suspended	-	-	-	-	-
TOTAL	**0.11**	**-**	**-**	**-**	**0.11**

*No projects were delayed for completion or had exceeded its cost compared to its original plan.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 12A. Leases

Statement showing movement in lease liabilities

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at April 01, 2022	**24.64**	**1.00**	**25.64**
Additions	34.19	3.28	37.47
Deductions/Adjustments	0.80	0.06	0.86
Finance cost accrued during the year	3.42	0.18	3.60
Payment of lease liabilities	13.00	0.85	13.85
As at March 31, 2023	**48.45**	**3.55**	**52.00**
Additions	30.86	1.81	32.67
Deductions/Adjustments	4.64	0.08	4.72
Finance cost accrued during the year	5.55	0.34	5.89
Payment of lease liabilities	20.91	1.67	22.58
As at March 31, 2024	**59.31**	**3.95**	**63.26**

Note 13A. RIght of use assets

Statement showing carrying value of right of use assets

(₹ in Crores)

Particulars	Premises	Vehicle	Total
As at April 01, 2022	**22.43**	**0.95**	**23.38**
Additions	34.45	3.28	37.73
Deductions/Adjustments	0.32	0.07	0.39
Depreciation	9.74	0.76	10.50
As at March 31, 2023	**46.82**	**3.40**	**50.22**
Additions	30.86	1.81	32.67
Deductions/Adjustments	3.71	0.08	3.79
Depreciation	20.18	1.40	21.58
As at March 31, 2024	**53.79**	**3.73**	**57.52**

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	22.49	15.11
Non- Current lease liabilities	40.77	36.89
Total	**63.26**	**52.00**

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	27.08	19.33
One year to Two years	16.37	18.39
Two to Five years	18.56	17.89
More than Five years	11.06	7.33
Total	**73.07**	**62.94**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Statement showing amount recognised in Statement of Profit and Loss:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	5.89	3.61
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.15	0.21
Total	**6.04**	**3.82**

Statement showing amount recognised in Statement of Cash Flows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Payment of interest on lease liabilities	5.89	3.61
Payment of lease liabilities	16.69	10.26
Total cash outflows for leases	**22.58**	**13.87**

Note 13B. Other Intangible Assets

(₹ in Crores)

Particulars	Computer Software
As at April 01, 2022	**1.22**
Additions	0.47
Deductions/Adjustments	-
As at March 31, 2023	**1.69**
Additions	0.45
Deductions/Adjustments	-
As at March 31, 2024	**2.14**
Accumulated Depreciation	
As at April 01, 2022	**1.04**
Depreciation For the year	0.21
Deductions/Adjustments	-
As at March 31, 2023	**1.25**
Depreciation For the year	0.33
Deductions/Adjustments	-
As at March 31, 2024	**1.58**
Net Block as at March 31, 2023	0.44
Net Block as at March 31, 2024	**0.56**

The Group has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.

Note 14. Other Non Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances*	0.07	0.31
Prepaid Expenses	5.80	3.78
Advances to vendors	2.33	2.10
Staff advances	0.02	0.01
Total	**8.22**	**6.20**

* Includes Intangible Assets Under Development ₹ 0.11 crores as at March 31, 2023.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 15. Trade Payables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 15A)	3.12	3.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	67.97	48.37
Total	71.09	51.38

Note 15A. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

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

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Principal amount remaining unpaid to any supplier at the year end	3.12	3.01
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

No interest has been paid / is payable by the Company during the year to the Suppliers registered under this Act

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

Trade Payables aging schedule

(₹ in Crores)

Particulars	Unbilled	Outstanding for following period from the date of transaction: Less than 1 Year	1-2 Years	2-3 Years	More then 3 years	Total
As at March 31, 2024						
(i) Total outstanding dues of micro enterprises and small enterprises	3.08	0.04	-	-	-	3.12
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	61.59	6.30	0.05	-	0.03	67.97
As at March 31, 2023						
(i) Total outstanding dues of micro enterprises and small enterprises	3.00	0.01	-	-	-	3.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	45.46	2.91	-	-	-	48.37

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

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 16. Debt Securities

(₹ in Crores)

Particulars	At Amortised Cost: As at March 31, 2024	As at March 31, 2023
Secured:		
Non-convertible debentures - (Refer Note (a), (b) and 16.1)	3221.89	2109.31
Zero Coupon Bonds -(Refer Note (a) and 16.1)	158.51	144.91
Total (A)	3380.40	2,254.22
Unsecured:		
Commercial Paper - (Refer Note 16.1)	232.64	-
Total (B)	232.64	-
Total (A+B)	3,613.04	2,254.22
Debt securities in India	3,613.04	2,254.22
Debt securities outside India	-	-

a. The above Non Convertible Debentures (NCDs) and Bonds are secured by way of first pari passu charge in favor of Debenture Trustee by way of hypothecation on receivables of the group, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favor of certain existing charge holders. The NCDs/Bonds, other than Market linked debentures (MLDs) are issued with fixed coupon rate and redeemable at par. NCDs/Bonds in the nature of MLDs are G-Sec linked and the interest is payable on maturity.

b. Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call option and contains a repayment clause by way of reduction in face value ₹ 15.00 Crores (from March 20, 2024) (As at March 31, 2023 ₹ 15.00 Crores (from December 20, 2023) and ₹ 15.00 Crores (from March 20, 2024)) and NCDs carrying call and put option of ₹ 280.00 Crores (from April 02, 2025) (As at March 31, 2023 ₹ 280.00 Crores (from April 02, 2025)).

Note 16.1 - Terms of repayment

(₹ in Crores)

Residual Maturity	As at March 31, 2024: Amount	Rate of Interest	As at March 31, 2023: Amount	Rate of Interest
Secured NCD (A)				
(a) Fixed:				
More than 5 years	933.69	5.00% - 9.18%	1,315.50	5.00 % - 9.18%
3- 5 Years	956.36	5.00% - 8.75%	215.25	8.20% - 8.62%
1-3 Years	940.03	5.00% - 10.05%	535.72	8.25% - 10.33%
Less than 1 year	391.81	5.00% - 8.59%	42.84	5% - 10.33%
Total Secured NCD (A)	3,221.89		2,109.31	

(₹ in Crores)

Residual Maturity	As at March 31, 2024: Amount	Rate of Interest	As at March 31, 2023: Amount	Rate of Interest
Secured Zero Coupon (B)				
More than 5 years	-		6.15	8.75%
3- 5 Years	6.65	8.75%	4.72	8.50%
1-3 Years	5.13	8.50%	134.04	8.25% - 10.30%
Less than 1 year	146.73	8.25% - 10.30%	-	
Total Secured Zero Coupon (B)	158.51		144.91	

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
Unsecured (C)				
Commercial Paper				
Less than 1 year	232.65	9.05%	-	
Total Unsecured (C)	**232.65**		**-**	

Note 16.2(a) - Security wise details of Secured NCD

(₹ in Crores)

Particulars	Coupon/ Yield	As at March 31, 2024	As at March 31, 2023
8.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series I Tranche II. Date of maturity - 03/01/2025	8.25%	225.72	225.72
10.33% Secured Rated Listed Redeemable Non Convertible Debenture. Series C11. Date of maturity - 19/12/2025	10.33%	-	15.00
10.05% Secured Rated Listed Redeemable Non Convertible Debenture. Series C13. Date of maturity - 20/03/2026	10.05%	15.00	15.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D8. Date of maturity - 31/03/2026	8.50%	280.00	280.00
8.5% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D9. Date of maturity - 22/05/2026	8.50%	320.00	-
8.20% Secured Rated Listed Redeemable Non Convertible Debentures.Series D7. Date of maturity - 28/09/2026	8.20%	112.00	112.00
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II. Date of maturity - 03/01/2027	8.20%	52.65	52.65
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II. Date of maturity - 03/01/2027	8.50%	13.60	13.60
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2027	8.36%	273.33	-
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series D3. Date of maturity - 11/02/2028	8.60%	18.00	18.00
8.62% Secured Rated Listed Redeemable Non Convertible Debentures. Series D4. Date of maturity - 12/03/2028	8.62%	19.00	19.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity - 15/08/2028	8.36%	273.33	-
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II. Date of maturity - 03/01/2029	8.43%	53.74	53.74
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II. Date of maturity - 03/01/2029	8.75%	22.18	22.18
8.70% Secured Rated Listed Redeemable Non Convertible Debentures.Series D5. Date of maturity - 16/04/2029	8.70%	36.00	36.00
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10. Date of maturity -15/08/2029	8.36%	273.33	-
9.18% Secured Rated Listed Redeemable Non Convertible Debentures. Series C15. Date of maturity - 03/10/2029	9.18%	300.00	300.00
8.585% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD I. Date of maturity - 25/02/2030	8.59%	371.40	433.30
8.70% Secured Rated Listed Redeemable Non Convertible Debentures.Series D6. Date of maturity - 14/05/2030	8.70%	109.00	109.00
8.69% Secured Rated Listed Redeemable Non Convertible Debentures. Series D2. Date of maturity - 12/11/2030	8.69%	300.00	300.00
5% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD II. Date of maturity - 28/02/2031	5.00%	74.70	74.70
Total		**3,142.98**	**2,079.89**

Note: Statement showing contractual principal outstanding of Secured Non Convertible Debentures.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 16.2(b) - Security wise details of Secured Zero Coupon Bond

(₹ in Crores)

Particulars	Coupon/ Yield	As at March 31, 2024	As at March 31, 2023
G- Sec Linked Secured Rated Listed Principal Protected Redeemable Non Convertible Debentures. Series C 12. Date of maturity - 25/04/2024	9.12%	51.30	51.30
G- Sec Linked Secured Rated Unlisted Principal Protected Redeemable Non Convertible Debentures. Series C 14. Date of maturity - 27/06/2024	10.30%	20.00	20.00
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche II. Date of maturity - 03/01/2025	8.25%	26.73	26.73
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II. Date of maturity - 03/01/2027	8.50%	4.25	4.25
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II. Date of maturity - 03/01/2029	8.75%	5.53	5.53
Total		**107.81**	**107.81**

Note: Statement showing contractual principal outstanding of Secured Zero Coupon Bond

Note 17. Borrowings (other than debt securities)

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Secured:		
(a) Term loans		
(i) from Banks (Refer Note (a), (b) and 17.1)	6655.25	7,676.51
(ii) from National Housing Bank (NHB) (Refer Note (a), (b), (c) and 17.2)	4,791.48	3,085.44
(iii) from Financial Institution (Refer Note (b) and 17.3)	1,321.07	678.89
(b) Securitisation Liability (Refer Note 17.4)	145.27	179.68
(c) Cash credit / Overdraft from Banks (Refer Note (a), (b) and 17.4)	120.11	0.15
Total	**13,033.18**	**11,620.67**
Borrowings in India*	12,615.19	11,198.53
Borrowings outside India	417.99	422.14
Total	**13,033.18**	**11,620.67**

a. Out of the total borrowing from Banks, borrowings amounting to ₹ 20.00 Crores (As at March 31, 2023 ₹ 20.00 Crores) and Refinance Facility from NHB amounting to ₹ 390.32 Crores (As at March 31, 2023 ₹ 564.94 Crores) are also guaranteed by Holding Company i.e. IIFL Finance Limited.

b. The term loans from banks, Financial Institution and NHB and cash credits from banks are secured by way of first pari passu charge by way of hypothecation on receivables of the Group, both present and future, book debts, loans & advances, except those receivables present and/or future specifically and exclusively charged in favor of certain existing charge holders. Further, borrowings from Financial Institution amounting to ₹ 413.10 Crores (before interest accrued but not due, exchange fluctuation and EIR adjustments) (As at March 31, 2023 Nil) are secured by way of first priority exclusive charge on the identified receivables of the Company.

c. Borrowings from NHB includes ₹ 4,401.16 Crores (As at March 31, 2023 ₹ 2,520.49 Crores) secured by way of first exclusive charge on unencumbered individual housing loan portfolio in favor of NHB.

* This includes FCNB borrowings amounting to ₹ 1,106.17 Crores (P.Y. 972.39 Crores.).

Note 17.1 - Terms of repayment of Term Loans from Banks

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	906.87	8.49%-9.30%	1,249.63	7.70% - 9.00%
3- 5 Years	1,695.43	8.49%-9.55%	1,555.15	7.70% - 9.55%
1-3 Years	2,520.42	8.39%-9.55%	2,487.03	7.70% - 9.55%
Less than 1 year	1,532.53	8.39%-9.55%	2,384.70	7.70% - 9.70%
Total	**6655.25**		**7,676.51**	

Notes forning part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 17.2 - Terms of repayment of term loans from NHB

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Fixed:				
More than 5 years	1,435.70	2.80% - 8.50%	783.14	2.80% - 7.90%
3- 5 Years	1,227.19	2.80% - 8.50%	723.32	2.80% - 7.90%
1-3 Years	1,415.93	2.80% - 9.00%	1,092.71	2.80% - 8.40%
Less than 1 year	712.66	2.80% - 9.00%	486.27	2.80% - 8.40%
Total	4,791.48		3,085.44	

Note 17.3 - Terms of repayment of term loans from Financial Institution

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
More than 5 years	311.12	9.10%	315.70	9.10%
3- 5 Years	235.41	9.10%	166.63	9.10%
1-3 Years	254.19	9.10%	140.08	9.10%
Less than 1 year	102.36	9.10%	56.48	9.10%
Sub-Total - Floating (A)	903.08		678.89	
Fixed:				
More than 5 years	198.84	5.84%	-	
3- 5 Years	91.80	5.84%	-	
1-3 Years	91.80	5.84%	-	
Less than 1 year	35.55	5.84%	-	
Sub-Total - Fixed (B)	417.99		-	
Total (A+B)	1,321.07		678.89	

Note 17. 4 - Terms of repayment of other loans

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:				
Cash credit / Overdraft from Banks (A)				
Less than 1 year	120.11	8.80%	0.15	6.35%
Securitisation Liability (B)				
More than 5 years	112.80	8.10% - 9.35%	143.06	7.30% - 8.05%
3- 5 Years	13.22	8.10% - 9.35%	15.22	7.30% - 8.05%
1-3 Years	12.71	8.10% - 9.35%	14.56	7.30% - 8.05%
Less than 1 year	6.55	8.10% - 9.35%	6.84	7.30% - 8.05%
Sub-Total - Securitisation Liability	145.28		179.68	
Total (A+B)	265.39		179.83	

Note 18. Subordinated liabilities

(₹ in Crores)

Particulars	At Amortised Cost	
	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures - Unsecured	829.22	886.46
Zero Coupon Bonds - Unsecured	208.16	191.85
Total	1,037.38	1,078.31
Subordinated Liabilities in India	1,037.38	1,078.31
Subordinated Liabilities outside India	-	-
Total	1,037.38	1,078.31

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Non Convertible Debentures – Unsecured includes redeemable non convertible debenture which carries call option ₹ 10.00 Crores (from February 28, 2024), ₹ 126.52 Crores. (from May 14, 2024), ₹ 40.00 Crores. (from June 18, 2025) and ₹ 30.00 Crores. (from July 14, 2025) (as at March 31, 2023 Non Convertible Debentures – Unsecured includes redeemable non convertible debenture which carries call option ₹ 10.00 Crores. (from February 28, 2024), ₹ 126.52 Crores. (from May 14, 2024), ₹ 40.00 Crores. (from June 18, 2025) and ₹ 30.00 Crores. (from July 14, 2025)).

Note 18.1 - Terms of repayment of Subordinated Debt

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Rate of Interest	Amount	Rate of Interest
(a) Fixed:				
More than 5 years	-		708.14	9.60% - 10.02%
3- 5 Years	803.69	8.85% - 10.02%	85.00	8.85% - 9.05%
1-3 Years	-		-	
Less than 1 year	25.53	8.85% - 10.02%	93.32	8.93% - 9.30%
Total Non-convertible debentures - Unsecured	829.22		886.46	

(₹ in Crores)

Residual Maturity	As at March 31, 2024		As at March 31, 2023	
	Amount	Yield	Amount	Yield
(b) Zero Coupon:				
More than 5 years	-	-	191.85	9.40%
3- 5 Years	208.16	9.40%	-	-
Total Zero Coupon Bonds - Unsecured	208.16		191.85	

These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under RBI Directions for Housing Finance Companies for assessing capital adequacy. Based on the balance term to maturity As at March 31, 2024, 78% (As at March 31, 2023 92%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

Note 18.2(a) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)

Particulars	Coupon/ Yield	As at March 31, 2024	As at March 31, 2023
8.93% Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U07 Date of maturity - 14/04/2023	8.93%	-	50.00
9.30% Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U05. Date of maturity - 29/05/2023	9.30%	-	15.00
8.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series U06. Date of maturity - 27/07/2027	8.85%	75.00	75.00
9.05% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U08. Date of maturity - 28/02/2028	9.05%	10.00	10.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U09. Date of maturity - 16/06/2028	9.85%	40.00	40.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U010. Date of maturity - 13/07/2028	9.85%	30.00	30.00
10% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series I. Date of maturity - 03/11/2028	10.00%	232.72	232.72
9.6% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series II. Date of maturity - 03/11/2028	9.60%	382.82	382.82
Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series III. Date of maturity - 03/11/2028	10.02%	40.28	40.28
Total		810.82	875.82

Note: Statement showing contractual principal outstanding of Subordinated Non Convertible Debentures.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 18.2(b) - Security wise details of Non-convertible debentures - Unsecured

(₹ in Crores)

Particulars	Yield	As at March 31, 2024	As at March 31, 2023
Zero Coupon G-Sec Linked Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series Ua3. Date of maturity - 11/08/2028	9.40%	126.30	126.30
Total		126.30	126.30

Note: Statement showing contractual principal outstanding of Subordinated Zero Coupon Bonds.

Note 19. Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Book overdraft*	952.02	778.85
Unclaimed interest and redemption proceeds of NCDs**	4.61	4.67
Other Payables#	95.55	119.60
Total	1,052.18	903.12

* Book overdraft represents cheque issued towards disbursement to borrowers but not presented to banks.

** As required under Section 125 of the Companies Act, 2013, the Company, during the year, has transferred ₹ 0.08 Crores. (As at March 31, 2023 ₹ 0.09 Crores.) to the Investor Education and Protection Fund (IEPF). As of March 31, 2024, ₹ 0.00 Crores. (As at March 31, 2023 ₹ 0.00 Crores) was due for transfer to the IEPF.

Includes liability towards Credit Link Subsidy Scheme received from NHB of ₹ 0.04 Crores. (As at March 31, 2023 ₹ 0.04 Crores) and liability towards assignment payable.

Note 20. Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions for Employee Benefits		
- Provision for Leave Encashment	10.91	7.62
- Provision for Gratuity (Refer 32.2)	3.94	0.82
- Provision for Bonus	16.19	11.78
Total	31.04	20.22

Note 21. Other Non Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances	16.18	10.25
Unspent CSR (Refer note no 38A)	6.90	5.20
Advances from borrowers	76.96	245.55
Total	100.04	261.00

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 22. 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		
152,000,000 Equity Shares of ₹ 10/- each with voting rights (as at March 31, 2023 - 152,000,000)	152.00	152.00
20,000,000 Preference Shares of ₹ 10/- each (as at March 31, 2023 20,000,000)	20.00	20.00
Total	172.00	172.00
Issued, Subscribed and Paid Up		
Equity Share Capital	-	-
26,344,638 Equity Shares of ₹ 10/- each fully paid-up (as at March 31, 2023 - 26,344,638)	26.34	26.34
Total	26.34	26.34

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

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	2,63,44,638	26.34	2,09,68,181	20.97
Add: Issued during the year	-	-	53,76,457	5.37
Outstanding at the end of the year	2,63,44,638	26.34	2,63,44,638	26.34

During the year ended March 2023, the Company has allotted 5,376,457 equity shares of ₹ 10/- each at a premium of ₹ 4,081.91/- per share

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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

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 Finance Limited (holding company) and its nominees	2,09,68,181	79.59%	2,09,68,181	79.59%
Platinum Owl C 2018 RSC Limited	53,76,457	20.41%	53,76,457	20.41%

(e) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares held by Promoters

Particulars	Promoter Name	No of Shares*	% of Total Shares	% Change during the year
As at March 31, 2024	IIFL Finance Limited	2,09,68,181	79.59%	-
As at March 31, 2023	IIFL Finance Limited	2,09,68,181	79.59%	(20.41%)

* Shares held by IIFL Finance Limited and its nominees. The shareholding of Nominee is 500 shares (As at March 31, 2023 500 shares).

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 23: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve		
Opening Balance	1.35	1.35
Add: Additions during the year	-	-
Closing Balance	1.35	1.35
Securities Premium Reserve		
Opening Balance	2,969.65	799.16
Add: Additions during the year	-	2,194.62
less: Share issue expenses		(24.13)
Closing Balance	2,969.65	2,969.65
General Reserve		
Opening Balance	143.86	143.86
Add: Additions during the year	-	-
Closing Balance	143.86	143.86
Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening Balance	561.07	402.97
Add: Transfer from retained earnings	205.40	158.10
Closing Balance	766.47	561.07
Retained Earnings - remeasurement of defined benefit		
Opening Balance	(1.02)	(0.80)
Other comprehensive income for the year	(0.61)	(0.22)
Closing Balance	(1.63)	(1.02)
Retained Earnings - other than remeasurement of defined benefit		
Opening Balance	1,838.20	1,333.56
Add: Profit for the year	1,016.55	768.12
Less: Equity dividend	(144.90)	(105.38)
Less: Transfer to special reserve	(205.40)	(158.10)
Closing Balance	2504.45	1,838.20
Share Option Outstanding Account		
Opening Balance	-	-
Add: Addition during the year	19.77	-
Closing Balance	19.77	-
Effective portion of Cash Flow Hedges		
Opening Balance	5.57	(7.03)
Add: Other comprehensive income / (loss)	(5.70)	12.60
Closing Balance	(0.13)	5.57
Fair value of loans carried at FVTOCI		
Opening Balance	9.09	9.65
Add: Other comprehensive income/ (loss)	(1.19)	(0.56)
Closing Balance	7.90	9.09
Total	6,411.71	5,527.77

Note 23.1 Nature and purpose of reserve

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

General Reserve

The Group created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956, wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve is a free reserve available to the Company for distribution.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987

As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

Retained Earnings - remeasurement of defined benefit

The Group recognises change on account of remeasurement of the net defined benefit liability / asset as part of retained earnings.

Retained Earnings - other than remeasurement of defined benefit

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Share Option Outstanding Account

The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Group.

Effective portion of Cash Flow Hedges

The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

Fair value of loans carried at FVTOCI

The amount represents cumulative gains/(losses) arising on account of fair valuation of pools(loans) set aside for sell basis the business model.

Note 24. Interest Income

(₹ in Crores)

Particulars	FY 2023-24			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	341.87	2,418.82	23.67	2,784.36
Interest income from investments	-	34.58	19.95	54.53
Interest on inter corporate deposits	-	42.18	-	42.18
Interest on deposits with Banks*	-	41.22	-	41.22
Total	341.87	2,536.80	43.62	2,922.29

*Includes interest income on security deposits

(₹ in Crores)

Particulars	FY 2022-23			
	On Financial Assets measured at			
	FVTOCI	Amortised Cost	FVTPL	Total
Interest on Loans	232.15	1948.67	-	2180.82
Interest income from investments	-	28.02	13.61	41.63
Interest on inter corporate deposits	-	11.34	-	11.34
Interest on deposits with Banks*	-	66.15	-	66.15
Total	232.15	2,054.19	13.61	2,299.95

*Includes interest income on security deposits

Note 25. Fees and Commission Income

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Fees & Other Charges*	93.72	85.81
Insurance & Distribution Commission	100.53	28.67
Total	194.26	114.48

* Includes fee and charges in the nature of service fee, foreclosure, etc.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Note 26. Net gain on Fair Value Changes

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Net Gain /(loss) on financial instruments at FVTPL		
On trading portfolio		
- Investments	25.76	59.65
- Others	(21.29)	-
Total Net gain on fair value changes	4.47	**59.65**
Fair Value changes:		
- Realised	(1.83)	45.92
- Unrealised	6.30	13.73
Total Net gain on fair value changes	4.47	**59.65**

Note 27. Net gain/(loss) on derecognition of financial instruments under FVTOCI

(₹ in Crores)

Particulars	FY 2022-23	FY 2022-23
Assignment of loans	(1.03)	72.54
Total	**(1.03)**	**72.54**

Note 28. Other Income

(₹ in Crores)

Particulars	FY 2022-23	FY 2022-23
Marketing, advertisement and support service fees	195.74	156.11
Total	**195.74**	**156.11**

Note 29. Finance Costs

(₹ in Crores)

Particulars	On Financial liabilities measured at Amortised Cost	
	FY 2023-24	FY 2022-23
Interest on borrowings (other than debt securities)	940.12	880.46
Interest on debt securities	258.92	172.18
Interest on subordinated liabilities	97.97	101.19
Other interest expense		
Interest on lease liabilities	5.89	3.61
Other borrowing cost	27.46	26.02
Total	1,330.36	**1,183.46**

Statement showing exchange fluctuation on account of foreign currency borrowings:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Revaluation Gain/(Loss) on Foreign currency loan	(48.52)	(35.33)
Recognised in Other Comprehensive Income	48.52	32.77
Recognised in Statement of Profit and Loss	-	(2.56)

Note 30. Impairment on Financial Instruments, including write-offs

(₹ in Crores)

Particulars	FY 2023-24		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(7.84)	(115.21)	(123.05)
Receivables		(6.43)	(6.43)
Investments		1.00	1.00
Bad debts written off (Net of recovery)	-	245.12	245.12
Total	(7.84)	124.48	116.64

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	FY 2022-23		
	On Financial Assets measured at		
	FVTOCI	Amortised Cost	Total
Loans	(2.00)	(8.00)	(10.00)
Receivables	-	6.40	6.40
Bad debts written off (Net of recovery)	-	141.65	141.65
Total	**(2.00)**	**140.05**	**138.05**

Note 31. Employee Benefits Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Salaries and wages	318.31	242.04
Contribution to provident and other funds (Refer Note 31.1)	13.92	10.52
Leave Encashment	4.98	3.29
Gratuity (Refer Note 31.2)	2.43	1.93
Staff welfare expenses#	9.04	5.26
Share Based Payments to employees (Refer Note 31.3)	19.77	-
Total	368.45	**263.04**

#The Group companies i.e. IIFL Finance Limited and IIFL Securities Limited have granted stock options to its employees as well as employees of the Company. Pursuant to the scheme, the Company has reimbursed the group companies ₹ 1.33 Crores. (For FY 2022-23 ₹ 0.49 Crores), on account of such costs and the same is forming part of Employee benefit expenses.

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

31.1 Defined Contribution Plans:

The Group 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	6.57	5.11
Contribution to ESIC	0.82	0.62
Contribution to Labour Welfare Fund	0.06	0.04
Group contribution to EPS	6.07	4.43
Group contribution to NPS	0.39	0.32
Total	13.92	**10.52**

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

Assumptions (Current Year)

Particulars	FY 2023-24	FY 2022-23
Expected Return on Plan Assets	7.20%	7.46%
Rate of Discounting	7.20%	7.46%
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)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

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	11.43	9.45
Interest Cost	0.85	0.66
Current Service Cost	2.38	1.94
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	0.05	0.07
Liability Transferred Out/ Divestment	(0.00)	(0.06)
Benefit Paid Directly by the Employer	-	-
Benefit Paid From the Fund	(1.33)	(0.81)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.57	(0.90)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.46	1.09
Present Value of Benefit Obligation at the End of the Year	**14.41**	**11.43**

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	10.61	9.50
Interest Income	0.79	0.66
Contributions by the Employer	0.16	1.55
Benefit Paid from the Fund	(1.33)	(0.81)
Return on Plan Assets, Excluding Interest Income	0.23	(0.29)
Fair Value of Plan Assets at the End of the Year	**10.46**	**10.61**

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	14.41	11.43
Fair Value of Plan Assets at the end of the Year	10.46	10.61
Funded Status Surplus/ (Deficit)	(3.94)	(0.82)
Net (Liability)/Asset Recognised in the Balance Sheet	**(3.94)**	**(0.82)**

Net Interest Cost

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Present Value of Benefit Obligation at the Beginning of the Year	11.43	9.45
Fair Value of Plan Assets at the Beginning of the Year	(10.61)	(9.50)
Net Liability/(Asset) at the Beginning of the Year	**0.82**	**(0.05)**
Interest Cost	0.85	0.66
Interest Income	(0.79)	(0.66)
Net Interest Cost	**0.06**	**(0.00)**

Expenses Recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Current Service Cost	2.38	1.94
Net Interest Cost	0.06	(0.00)
Expenses Recognised	**2.44**	**1.94**

One of our subsidiary Company i.e. IIHFL Sales Limited has provided gratuity on a full liability basis.

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	1.04	0.19
Return on Plan Assets, Excluding Interest Income	(0.23)	0.29
Net (Income)/Expense For the Year Recognised in OCI	**0.81**	**0.48**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Balance Sheet Reconciliation

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	0.82	(0.05)
Expenses Recognised in Statement of Profit and Loss	2.44	1.93
Expenses Recognised in OCI	0.81	0.48
Net Liability/(Asset) Transfer In	0.03	0.07
Net (Liability)/Asset Transfer Out*	(0.00)	(0.06)
Benefit Paid directly by the Employer	-	-
Employer's Contribution	(0.16)	(1.55)
Net Liability/(Asset) Recognised in the Balance Sheet	**3.94**	**0.82**

*0.00 denotes amount less than ₹ Fifty thousands

Category of Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance policy	10.46	10.61
Total	**10.46**	**10.61**

Other Details

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Prescribed Contribution For Next Year (12 Months)	6.75	2.87

Maturity Analysis of the Benefit Payments: From the Fund

(₹ 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	0.68	0.60
2nd Following Year	0.15	0.13
3rd Following Year	0.19	0.14
4th Following Year	0.19	0.17
5th Following Year	0.22	0.18
Sum of Years 6 To 10	1.93	1.40
Sum of Years 11 and above	51.89	42.79

Sensitivity Analysis

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions	14.41	11.42
Delta Effect of +1% Change in Rate of Discounting	(2.19)	(1.69)
Delta Effect of -1% Change in Rate of Discounting	2.43	1.93
Delta Effect of +1% Change in Rate of Salary Increase	1.93	1.47
Delta Effect of -1% Change in Rate of Salary Increase	(1.68)	(1.29)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.20)	(0.10)
Delta Effect of -1% Change in Rate of Employee Turnover	0.22	0.11

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.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Above includes one of our subsidary i.e IIHFL Sales Ltd where gratuity is unfunded.

The Group has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio. All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.(vesting ratio of 25:25:25:25). As per ESOP Plan, the Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

Note 31.3. Employee Stock Option

The Group has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio. All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.(vesting ratio of 25:25:25:25). As per ESOP Plan, the Vested Options can be exercised by the Option Grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Grant Date	01-10-2023	N.A
Option Price Model	Black Scholes Method	N.A
Exercise Price	1338.00	N.A
Share Price on Grant Date	4513.38	N.A
Expected Volatility	50%	N.A
Expected life of options (Years)	4	N.A
Risk-free rate of return	7.37%	N.A
Dividend Yield	0.86%	N.A
Fair Value of ESOP at Grant Date	3423.18	N.A
Weighted average remaining contractual life of the options (Years)	3.50	N.A

Fair Value Methodology:

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year.

Table Showing options movement during year:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Outstanding at the beginning of the year	-	N.A
Granted during the year	2,42,563	N.A
Forfeited during the year	3,935	N.A
Expired during the year	-	N.A
Exercised during the year	-	N.A
Outstanding at the end of the year	2,38,628	N.A
Exercisable at the end of the year	-	N.A

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Table showing Weighted-average exercise prices of options:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Outstanding at the beginning of the year	N.A.	N.A.
Granted during the year	1,338.00	N.A.
Forfeited during the year	1,338.00	N.A.
Expired during the year	N.A.	N.A.
Exercised during the year	N.A.	N.A.
Outstanding at the end of the year	1,338.00	N.A.
Exercisable at the end of the year	N.A.	N.A.

Weighted-average exercise prices of options granted during the year is ₹ 1,338.00 /- option

Weighted average share price at the date of exercise date : N.A. as no ESOP exercise in year

Table showing Weighted-average exercise prices of options:

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Opening ESOP Outstanding Reserve Balance	-	N.A.
Expense Recognised/ (Reversed) during the year	19.77	N.A.
Closing ESOP Outstanding Reserve Balance	19.77	N.A.

Note : The company has granted options in equal parts in two tranches - (i) 50% on October 1, 2023 (time-based) and 50% on April 1, 2024 (performance based) and will vest as specified in the Grant letter.

The company has granted 1,55,129 no. of ESOPs to KMPs during the year.

Note 32. Other Expenses

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Advertisement	12.73	7.50
Valuation & verification expenses	3.61	1.40
Marketing expenses	21.44	5.71
Bank charges	2.59	2.20
Communication	1.41	1.29
Electricity	2.48	2.22
Rating and custodian fees	2.20	1.34
Legal & professional fees	38.49	27.23
Commission & sitting fees	0.78	0.70
Miscellaneous expenses	1.21	0.43
Office expenses	10.79	12.86
Postage & courier	1.77	1.70
Printing & stationary	1.29	1.50
Rates & taxes	0.03	0.02
Rent	3.73	6.56
Repairs & maintenance	1.05	1.03
Payments to auditors*	1.91	0.88
Software charges	19.14	10.42
Security expenses	2.25	1.52
Travelling & conveyance	12.95	9.12
Corporate Social Responsibility (CSR) Expenses (Refer note 37)	17.59	13.10
Loss on sale of assets	0.03	0.94
Total	159.47	109.67

***Payments to auditors**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Audit Fees	0.72	0.39
Limited Reviews	0.72	0.15
Other matters and certification	0.25	0.27
Out of Pocket Expenses	0.22	0.07
Total	1.91	0.88

Notes forming part of Consolidated Financial Statements
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Note 33. Income taxes

33.1 Amounts recognised in the Statement of Profit and Loss

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax expense		
Current year	273.26	230.77
Tax of earlier years	(0.08)	(0.79)
Deferred tax expense		
Origination and reversal of temporary differences	24.62	6.18
Total	**297.80**	**236.16**

33.2 Amounts recognised in other comprehensive income

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Items that will not be reclassified to the Statement of Profit and Loss		
Remeasurements of defined benefit (liabilities)/assets	0.20	0.12
Items that will be reclassified to the Statement of Profit and Loss		
Net movement on effective portion of cash flow hedge	1.91	(4.24)
Fair value of loans carried at fair value through other comprehensive income	0.40	0.19
Total	**2.51**	**(3.93)**

33.3 Reconciliation of total tax expense

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax	**1,314.35**	**1,000.52**
Tax using the domestic tax rate (25.168%)	330.80	251.81
Tax effect of:		
Non-deductible expenses	5.16	12.75
Tax-exempt income (includes deduction u/s 80JJAA)	(38.91)	(26.27)
Tax on Dividend	-	(0.31)
Income taxed at different rates	(1.02)	-
Adjustments for current tax for prior periods	(0.08)	(0.79)
Losses for which no deferred tax asset is recognised	-	(1.34)
De-Recognition of previously recognised deductible temporary differences	1.86	0.31
Total income tax expense	**297.80**	**236.16**

33.4 The Company has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

Note 34. Earnings Per Share:

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

(₹ in Crores)

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	A	1,016.55	768.12
Weighted Average Number of Equity Shares Outstanding	B	2,63,44,638	2,42,38,245
Basic EPS (In ₹) (i)	**A/B**	**385.87**	**316.90**

(₹ in Crores)

Particulars		FY 2023-24	FY 2022-23
DILUTED			
Weighted Average Number of Equity Shares for computation of basic EPS		2,63,44,638	2,42,38,245
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		83,933.00	-
Weighted Average Number of Equity shares for computation of diluted EPS	C	2,64,28,571	2,42,38,245
Diluted EPS (In ₹) (i)	**A/C**	**384.64**	**316.90**

The basic earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares for the respective periods; whereas the diluted earnings per share has been computed by dividing the adjusted profit after tax by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options.

Note 35. Capital / Other Commitments and Contingent Liabilities at the Balance Sheet date

a. Commitments:

(i) As at the balance sheet date there were undrawn credit commitments of ₹ 3,262.11 Crores. (as at March 31, 2023 ₹ 2,098.41 Crores.);

(ii) Estimated amount of contracts remaining to be executed on capital account of ₹ 0.54 Crores (as at March 31, 2023 ₹ 1.54 Crores).

b. Contingent Liabilities:

(i) Claim against the Company not acknowledged as debt ₹ 0.15 Crores (as at March 31, 2023 ₹ 0.19 Crores);

(ii) Contingent liability on account of Income Tax Dispute is ₹ 7.28 Crores (as at March 31, 2023 ₹ 7.28 Crores) - The Company has filed appeal against the said demand;

(iii) Contingent liability on account of GST Dispute is ₹ 0.76 Crores (as at March 31, 2023 ₹ 0.19 Crores) -The Company has filed appeal against the said demand and has deposited 0.04 Crores (as at March 31, 2023 Nil) under protest;

(iv) Credit enhancement and Guarantee given for securitisation and assignment transactions amounting to ₹ 79.91 Crores and ₹ 23.34 Crores respectively (as at March 31, 2023 ₹ 79.95 Crores and ₹ 23.34 Crores).

Note 36. Disclosure as per Ind AS -108 "Operating Segments"

The Company's main business is financing by way of loans for the purchase or construction of residential houses, Loans against property and construction of real estate and certain other purposes, in India. All other activities of the Group revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Operating Segments'.

Note 37. Corporate Social Responsibility

The Group was required to spend ₹ 17.59 Crores. (For FY 2022-23 ₹ 13.10 Crores.) towards Corporate Social Responsibility (CSR) activities for the current financial year.

(₹ in Crores)

Particulars	FY 2023-2024		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	11.96	5.63	17.59
(b) Shortfall at the end of the year*	-	5.63	5.63
(c) Total of previous years shortfall	3.93	1.27	5.20
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	15.89	6.90	22.79

Reason for Shortfall: During the year, the Company contributed towards the ongoing projects which remained unspent as on March 31, 2024 resulting in shortfall. The unspent amount was transferred to a separate Bank account on April 26, 2024, which will be spent during the FY 2024-25.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Particulars	FY 2022-2023		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	7.90	5.20	13.10
(b) Shortfall at the end of the year*	-	5.20	5.20
(c) Total of previous years shortfall	3.03	-	3.03
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	10.93	5.20	16.13

Reason for Shortfall: During the FY 2021-22, the Company contributed towards the ongoing projects which remained unspent as on March 31, 2022 resulting in shortfall. The unspent amount was transferred to a separate Bank account on April 08, 2022 and was spent during the FY 2022-23.

37A.1 Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures (refer note 41A).

37A.2 The Company has undertaken CSR activities as per schedule VII of the Companies Act, 2013.

Note 38. Additional Regulatory Information under MCA Notification dated March 24, 2021

a. **Details of Benami Property held:** There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. **Additional information where borrowings are from banks or financial institutions:**

(i) The revised quarterly returns and statements of current assets filed by the Group with banks or financial institutions for the quarter ended June 2023, September 2023 and December 2023 are in agreement with the books of accounts. Further for quarter ended March 2023 the group has filed the provisional return and statement which will be revised subsequently based on audited numbers;

(ii) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

c. **Wilful Defaulter:** The Group has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

d. **Relationship with Struck off Companies :** During the year, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, except with the parties disclosed below:

(₹ in Crores)

Name of the struck off Company	Balance outstanding as at		Relationship with Struck off Group
	March 31, 2024	March 31, 2023	
Loans and Advances:			
Jasmin Infraproject Group Private Limited	0.47	0.49	None
Creative Pulse Marketing Private Limited	-	0.12	None
Beauty Channel Salon & Spa Private Limited	1.42	1.45	None
Iconic products india pvt ltd.	2.76	-	None
Vendor:			
Epicenter Technologies Pvt Ltd*	0.00	-	None

*0.00 denotes amount less than ₹ Fifty thousands

Note: The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

e. **Registration of charges or satisfaction with Registrar of Companies (ROC):** In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

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

g. **Compliance with approved Scheme(s) of Arrangements:** The Group has not entered into Scheme of Arrangement in terms of section 230 to 237 of the Company Act, 2013

h. **Utilisation of Borrowed funds and share premium:**

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

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

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

j. **Details of Crypto Currency or Virtual Currency:** The Group has not traded or invested in Crypto currency or Virtual Currency

Note 39 Financial Instruments

Note 39 A. Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk comprising of interest rate risk, currency risk and price risk.

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

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Group's growth and performance.

Financial Risk Management Structure

The Group has established multi-level risk governance for monitoring & control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee ("RMC") which is responsible for monitoring the overall risk process within the Group. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer ("CEO") with oversight of RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group has a risk framework constituting various lines of defence – the first line of defence consisting of the Management of the Group being responsible for seamless integration of risk principles across all businesses. Additionally, it ensures managerial & supervisory controls to ensure compliance and highlight inadequate processes and unexpected events.

Notes forming part of Consolidated Financial Statements
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Independent risk & policy team constitutes second life of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control & self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

The Group has defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Group.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

39 A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, 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. The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, an asset is reviewed at a frequency determined based on the risk it carries at the review date. For effective risk management, the Company monitors its portfolio, based on product, underlying security and credit risk characteristics.

39 A.1(I) Credit Risk Grading of loans and loss allowances

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

The Group has initiated portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Group to standardize credit underwriting & improve sourcing quality in the long run.

The Group applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

The Group categorises loan assets into stages based on the Days Past Due status: -

Stage 1: (0-30 days Past Due) It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.

Stage 2: (31-90 days Past Due) The Group collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Group recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: (More than 90 days Past Due and other cases basis regulatory guidelines) The Group identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

Additionally, the Group evaluates risk based on staging which are as follows:

(₹ in Crores)

Risk Categorisation	As at March 31, 2024	As at March 31, 2023
Stage 1	21,965.40	16,741.81
Stage 2	1,178.78	1,087.31
Stage 3	340.92	386.09
Total	23,485.10	18,215.21

Financial Assets measured at Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Unsecured Inter Corporate Deposits to group companies, Trade Receivables, Investments and Other Financial Assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Management of the Group created provisions on the above mentioned financial assets basis the default expectations.

39 A.1(II) Credit quality analysis

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

(₹ in Crores)

Particulars	As at March 31, 2024				
	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
Loans at FVTOCI	3,827.04	1.28	-	-	3,828.32
Loans at amortised cost	18,138.36	1,177.50	340.92	-	19,656.78

(₹ in Crores)

Particulars	As at March 31, 2023				
	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
Loans at FVTOCI	2,854.50	-	-	-	2,854.50
Loans at amortised cost	13,887.31	1,087.31	386.09	-	15,360.71

Notes forming part of Consolidated Financial Statements
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(b). The following tables show reconciliations from the opening to the closing balance of the Exposure At Default (EAD) and Expected Credit Loss (ECL) by class of financial instrument.

Loans and advances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrue
Opening EAD April 01, 2023	**16,623.25**	**2189.02**	**1,044.75**	**70.53**	**387.45**	**(1.39)**	**18,055.45**	**2,258.07**
New Loans Disbursed during the year	11,746.48	2,353.75	91.57	6.78	9.85	(0.76)	11,847.90	2,359.77
Loan Derecognised	(3,987.93)	(403.08)	(153.52)	(4.59)	(114.86)	0.06	(4,256.31)	(407.61)
Loans written off	(177.34)	(7.35)	(22.21)	(6.97)	(78.49)	0.48	(278.04)	(13.84)
Movement in Stages							-	-
From Stage 1	(778.18)	(64.91)	637.48	53.11	140.70	11.80	-	-
From Stage 2	336.22	23.08	(427.46)	(32.08)	91.24	9.00	-	-
From Stage 3	50.96	(0.21)	17.09	(0.04)	(68.05)	0.25	-	-
Loans Repaid in part or full	(2,002.74)	(743.81)	(59.01)	(0.55)	(24.96)	(22.14)	(2,086.71)	(766.50)
Closing EAD March 31, 2024	**21,810.72**	**3346.49**	**1,128.69**	**86.19**	**342.88**	**(2.70)**	**23,282.29**	**3429.98**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 3,227.17 Crores (As at March 31, 2023 ₹ 2,098.41 Crores)

Loans and advances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*
Opening EAD April 01, 2022	**14,412.66**	**1,723.46**	**927.58**	**67.12**	**328.55**	**(0.33)**	**15,668.80**	**1,790.25**
New Loans Disbursed during the year	9,264.64	1,430.90	73.38	6.04	9.18	(0.12)	9,347.20	1,436.82
Loan Derecognised	(3,686.33)	(213.43)	(96.62)	(4.64)	(52.19)	0.04	(3,835.14)	(218.03)
Write offs	(19.92)	(7.20)	(24.36)	(7.26)	(126.05)	0.21	(170.34)	(14.25)
Movement in Stages							-	-
From Stage 1	(391.47)	(25.64)	357.91	25.58	33.56	0.06	-	-
From Stage 2	662.32	41.18	(678.45)	(41.19)	16.13	0.01	-	-
From Stage 3	181.49	12.09	108.42	8.89	(289.91)	(20.98)	-	-
Loans Repaid in part or full	(3,800.14)	(772.33)	376.89	15.99	468.18	19.72	(2,955.07)	(736.72)
Closing EAD March 31, 2023	**16,623.25**	**2189.02**	**1,044.75**	**70.53**	**387.45**	**(1.39)**	**18,055.45**	**2,258.07**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 2,098.41 Crores (As at March 31, 2022 ₹ 1,652.76 Crores)

Loss Allowances

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*
Opening ECL April 01, 2023	**243.90**	**20.53**	**112.81**	**7.27**	**103.63**	**72.99**	**460.34**	**100.80**
New Loans Disbursed during the year	40.48	9.69	11.19	2.81	2.73	-	54.40	12.50
Loan Derecognised	(43.59)	(3.37)	(11.23)	(0.73)	(5.45)	(0.00)	(60.27)	(4.10)
Write offs	(33.25)	(0.63)	(12.83)	(0.72)	(51.40)	-	(97.48)	(1.35)
Movement in Stages								
From Stage 1	(16.52)	(0.75)	13.20	0.60	3.32	0.15	(0.00)	-
From Stage 2	30.24	1.83	(40.25)	(3.01)	10.01	1.18	(0.00)	(0.00)
From Stage 3	13.33	-	4.38	-	(17.71)	-	-	-
Loans Repaid in part or full	(125.53)	(10.65)	39.15	14.02	57.58	(1.30)	(28.80)	2.07
Closing ECL March 31, 2024	**109.06**	**16.65**	**116.42**	**20.24**	**102.71**	**73.02**	**328.19**	**109.91**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 13.89 Crores (As at March 31, 2023 ₹ 18.88 Crores).

(₹ in Crores)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*	Principal Outstanding	Unfunded Exposure /Interest Accrued*
Opening ECL April 01, 2022	**232.33**	**9.53**	**132.28**	**7.31**	**118.94**	**73.00**	**483.55**	**89.84**
New Loans Disbursed during the year	87.06	12.52	3.18	0.32	2.21	-	92.45	12.84
Loan Derecognised	(38.91)	(1.06)	(9.25)	(0.38)	(12.46)	0.00	(60.62)	(1.44)
Write offs	(4.83)	(0.04)	(7.20)	(1.06)	(54.59)	-	(66.62)	(1.10)
Movement in Stages								
From Stage 1	(70.31)	(2.37)	57.65	2.37	12.66	-	-	-
From Stage 2	24.28	0.40	(30.38)	(0.40)	6.10	-	-	(0.00)
From Stage 3	9.84	0.07	14.57	0.88	(24.41)	(0.95)	-	-
Loans Repaid in part or full	4.44	1.48	(48.04)	(1.77)	55.18	0.94	11.58	0.66
Closing ECL March 31, 2023	**243.90**	**20.53**	**112.81**	**7.27**	**103.63**	**72.99**	**460.34**	**100.80**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 18.88 Crores (As at March 31, 2022 ₹ 7.67 Crores).

39 A.1(III) Concentrations of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Group does not have concentration risk.

The Company's Loan outstanding from Borrowers residing across 5 various states of India is 57% (P.Y. 62%).

Notes forming part of Consolidated Financial Statements
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39 A.1(IV) Contractual amount outstanding on financial assets that were written off during the reporting year

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Write off (net of recoveries)	245.12	141.65

39 A.1(V) Collateral held

The Group is in the business of extending secured loans backed by mortgage of property (residential or commercial). This also includes cross-collateralisation on other property(ies) of the borrower. The Group assessess and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Group also requests for additional collateral(s).

In normal course of business, the Group does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt.

39 A.1(VI) Modified financial assets

For financial assets, such as a loan to a customer, where the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in Crores)

Particulars	FY 2023-24	FY 2022-23
Amortised Cost of Modified Assets at the time of modification	-	-
Modification (Gain)/Loss for the year	-	-

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of Modified financial assets	311.04	614.61

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification "Resolution Framework for COVID-19-related Stress".

39 A.2 Liquidity Risk

Liquidity risk refers to the risk that the Group may not be able to meet its short-term financial obligations. The Group manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. Further, The Group has defined Asset Liability Management (ALM) Framework with an organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Group seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2024	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Trade Payables	71.09	71.09	-	-	-	-	-
Finance Lease Obligation*	73.07	6.98	6.90	13.20	24.85	10.09	11.04
Debt Securities	3,613.04	156.23	47.97	566.96	945.16	963.02	933.69
Borrowings (Other than Debt Securities)	13,033.18	569.24	666.31	1,274.21	4,295.05	3,263.05	2965.32
Subordinated Liabilities	1037.38	3.28	22.16	0.08	-	1,011.86	-
Other financial liabilities	1,052.18	1,052.18	-	-	-	-	-

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Contractual maturities of financial liabilities As at March 31, 2023	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Trade Payables	51.38	51.38	-	-	-	-	-
Finance Lease Obligation*	62.93	4.83	4.85	9.64	28.52	7.76	7.33
Debt Securities	2,254.22	17.98	8.65	16.22	669.76	219.97	1,321.64
Borrowings (Other than Debt Securities)	11,620.67	656.89	1,011.93	1,265.63	3,734.38	2,460.32	2,491.52
Subordinated Liabilities	1,078.31	68.10	25.13	0.08	-	85.00	900.00
Other financial liabilities	903.12	903.12	-	-	-	-	-

*Contractual maturities of financial lease obligation are on undiscounted basis.

(ii) Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at March 31, 2023	Cash flows	Others*	As at March 31, 2024
Debt Securities (Including subordinated libilities)	3,332.53	1,248.10	69.79	4,650.42
Borrowings (Other than Debt Securities)	11,620.67	1,456.20	(43.69)	13,033.18
Total Liabilities from Financial Activities	14,953.20	2,704.30	26.10	17,683.60

(₹ in Crores)

Particulars	As at March 31, 2023	Cash flows	Others*	As at March 31, 2024
Debt Securities (Including subordinated libilities)	3,275.67	65.97	(9.12)	3,332.53
Borrowings (Other than Debt Securities)	10,944.93	648.65	27.09	11,620.67
Total Liabilities from Financial Activities	14,220.60	714.62	17.97	14,953.20

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, exchange differences and conversation factor of derivative instruments.

39 A.3 Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Group's exposure to market risk is primarily on account of interest rate risk, foreign exchange risk and price risk.

39 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entitys financial condition. The rise or fall in interest rates impact the Group's Net Interest Income.

Total Borrowings of the Group are as follows:

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	7,823.71	8,535.24
Fixed rate borrowings	9,859.90	6,417.97
Total borrowings	17,683.61	14,953.21

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

As at the end of the reporting year, the Group had the following floating rate borrowings:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans and bank overdrafts and Securitisation Liability	9.01%	7,823.71	44.24%	8.72%	8,535.24	57.08%
Non Convertible Debentures	-	-	-	-	-	-
Net exposure to cash flow interest rate risk		**7,823.71**	**44.24%**		**8,535.24**	**57.08%**

An analysis by maturities is provided in note 39 A 2(i) above. The percentage of total loans shows the proportion of loans that are currently at floating rates in relation to the total amount of borrowings.

As at the end of the reporting year, the Group had the following cross currency interest rate swap contracts/ forward contracts outstanding:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cross Currency Interest Rate Swaps and Forward Contracts	7.74%	1,523.99	8.62%	8.97%	1,394.53	9.33%

The Group had following floating rate loans and advances outstanding:

(₹ in Crores)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Loans and advances*	12.65%	23,485.10	100.00%	12.93%	18,215.21	100.00%

*Since certain loans disbursed by Company carry a fix rate of interest only for an initial short tenure of the loan(not more than 3 years), all loans granted are considered to be floating rate loans

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in Crores)

Particulars	Impact on profit after tax and equity		Impact on other components of equity	
	As at March 31, 2024	FY 2022-23	As at March 31, 2024	FY 2022-23
Interest rates – increase by 30 basis points (30 bps)*	(17.56)	(19.16)	-	-
Interest rates – decrease by 30 basis points (30 bps)*	17.56	19.16	-	-

* Holding all other variables constant

Profit or loss is sensitive to higher/lower interest income from loans and advances as a result of changes in interest rates.

(₹ in Crores)

Particulars	Impact on profit after tax and equity	
	As at March 31, 2024	As at March 31, 2023
Interest rates – increase by 30 basis points (30 bps)*	52.72	40.92
Interest rates – decrease by 30 basis points (30 bps)*	(52.72)	(40.92)

* Holding all other variables constant

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39 A.3(II) Exposure to currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB).

In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures, the Group's central treasury department identifies, evaluates and hedges financial risks in close co- operation with the Group's operating units

The Group follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Cross Currency Interest Rate Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group's profit before tax (PBT) and equity.

(₹ in Crores)

Particulars	Amount Outstanding	
	In INR	In USD
Borrowing as on March 31, 2024	1,523.99	18.16
Borrowing as on March 31, 2023	1,394.53	16.79

Since the Group has entered into derivative transaction to hedge this borrowing, the Group is not exposed to any currency risk on this borrowing.

39 A.3(III) Price Risk

The Group's investments carry a risk of change in prices. To manage its price risk arising from investments, the Group periodically monitors the performance of the investee. The Group's exposure to assets having price risk is insignificant.

39 A.3(IV) Competitions Risk

Group offers a range of mortgage products such as home loan, loans against property and construction of real estate. These are provided to a broad segment of customers including salaried and self-employed personnel and corporates. We face competition primarily from other HFCs. The major competitive factors among the peer group are an extensive branch network, greater funding capabilities, wider range of products and services, and advanced technology offerings.

39.B Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group monitors capital using a capital adequacy ratio as prescribed by the NHB Directions/ RBI Directions.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debt (₹ in Crores)	17,683.60	14,953.20
Total Equity (₹ in Crores)	6,438.05	5,554.11
Total Debt to Equity Ratio (times)	2.75	2.69

Total Debt inlcudes debt securities, borrowings (Other than Debt Securities) and subordinated liabilities.

Total Equity includes equity share capital and other equity.

Notes forming part of Consolidated Financial Statements
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39.B.1 Fair values of financial instruments

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

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

The following table shows an analysis of financial instruments:

(₹ in Crores)

Particulars	As at March 31, 2024		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	781.71
Bank Balance other than cash and cash equivalents	-	-	299.23
Derivative financial instruments	-	-	-
Receivables	-	-	-
(i) Trade Receivables	-	-	48.18
Loans	-	3,810.85	19,303.25
Investments	401.60	-	180.48
Other Financial assets	-	-	488.50
Total financial assets	**401.60**	**3,810.85**	**21,101.36**
Financial liabilities			
Derivative financial instruments	-	2.61	-
Trade Payables	-	-	71.09
Finance Lease Obligation	-	-	63.26
Debt Securities	-	-	3,613.04
Borrowings (Other than Debt Securities)	-	-	13,033.18
Subordinated Liabilities	-	-	1,037.38
Other financial liabilities	-	-	1,052.18
Total financial liabilities	**-**	**2.61**	**18,870.13**

(₹ in Crores)

Particulars	As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Cash and cash equivalents	-	-	1,635.21
Bank Balance other than cash and cash equivalents	-	-	359.29
Derivative financial instruments	(2.03)	44.02	-
Receivables	-	-	-
(i) Trade Receivables	-	-	47.50
Loans	-	2,829.19	14,891.97
Investments	371.57	-	1,055.62
Other Financial assets	-	-	454.15
Total financial assets	**369.54**	**2,873.21**	**18,443.74**
Financial liabilities			
Trade Payables	-	-	51.38
Finance Lease Obligation	-	-	52.00
Debt Securities	-	-	2,254.22
Borrowings (Other than Debt Securities)	-	-	11,620.67
Subordinated Liabilities	-	-	1,078.31
Other financial liabilities	-	-	903.12
Total financial liabilities	**-**	**-**	**15,959.70**

39.B.2 Financial instruments measured at fair value – Fair value hierarchy

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

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

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Loans - FVTOCI	-	-	3,810.85	3,810.85
Investments				-
(i) Debt Securities, Security Receipts and G-Sec	401.60			401.60
Total financial assets	**401.60**	**-**	**3,810.85**	**4,212.45**
Financial liabilities				
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps	-	2.61	-	2.61
Total financial liabilities	**-**	**2.61**	**-**	**2.61**

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Loans - FVTOCI	-	-	2,829.19	2,829.19
Investments				
(i) Alternate Investment Fund and Debt Securities	371.57	-	-	371.57
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps	-	41.99	-	41.99
Total financial assets	**371.57**	**41.99**	**2,829.19**	**3,242.75**

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 Group 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.

(₹ in Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2024	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	19,301.38	19,303.25	Level 3
Investments			
(i) In other securities*	181.58	180.48	Level 1 /Level 3
Other Financial assets			
Total financial assets	19,482.96	19,483.73	

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(₹ in Crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2024	Fair value	Carrying value	Fair value hierarchy
Financial Liabilities			
Debt Securities	3,479.24	3,613.04	Level 3
Subordinated Liabilities	1,029.13	1,037.38	Level 3
Total financial liabilities	**4,508.37**	**4,650.42**	

(₹ in Crores)

Assets and liabilities which are measured at amortised cost f or which fair values are disclosed As at March 31, 2023	Fair value	Carrying value	Fair value hierarchy
Financial assets			
Loans	14,897.95	14,891.97	Level 3
Investments			
(i) In other securities*	1,058.02	1,055.62	Level 1 /Level 3
Other Financial assets			
Total financial assets	**15,955.97**	**15,947.59**	
Financial Liabilities			
Debt Securities	2,169.44	2,254.22	Level 3
Subordinated Liabilities	1,006.65	1,078.31	Level 3
Total financial liabilities	**3,176.09**	**3,332.53**	

*Refer note no 8 for Investments measured at Amoritsed Cost. These are measured at Level 3

Valuation methodologies of financial instruments not measured at fair value

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

(i) **Loans:** The cash flows at the fixed rate were discounted to present value at the applicable internal benchmark rates . This value, as estimated, was discounted to present value at the applicable rates to determine their fair value.

(ii) **Investments in Other securities:** Other Secutities (e.g. certificate of deposits, commercial papers, etc.) are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 1 and or Level 3.

(iii) **Debt Securities and Subordinated Liabilities:** The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

(iv) **Financial assets and liabilities:** For financial assets and financial liabilities that have a short-term nature and long term financial assets and liabilities having floating rate structure , carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, investment in debt securities, trade payables, lease liabilities, borrowings (other than debt securities), other financial assets & liabilities.

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39.B.3 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value.

(₹ in Crores)

Particulars	Loans - FVTOCI	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	2,829.19	2,885.40
Sold during the year	(2,485.19)	(2,274.81)
Issuances	3,466.85	2,218.60
Closing Balance	**3,810.85**	**2,829.19**

Note 40.1 Transferred financial assets that are derecognised in their entirety

During the year, the Company has sold some loans and advances measured at FVTOCI as per assignment deals, as a source of finance. As per the terms of deal, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plans, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at FVTOCI and the gain/(loss) on derecognition:

(₹ in Crores)

Loans and advances	FY 2023-24	FY 2022-23
Carrying amount of derecognised financial assets	2,485.19	2,274.81
Gain from derecognition for the year	177.77	149.85

The table below summarises the carrying amount of the continuing involvment in derecognised financial assets

(₹ in Crores)

Loans and advances	As at March 31, 2024	As at March 31, 2023
Carrying amount of continuing involvement in derecognised financial assets	896.94	847.68

Note 40.2 Transferred financial assets that are not derecognised in their entirety:

The Company uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in Crores)

Securitisations	As at March 31, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	144.98	179.55
Carrying amount of associated liabilities	145.27	179.68
Fair value of assets	144.98	179.55
Fair value of associated liabilities	145.27	179.68

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Note 41. Related Party Disclosures as per Ind AS – 24 "Related Party Disclosure" for the year ended March 31, 2024

Nature of relationship	Name of Party
Holding company	IIFL Finance Limited
Fellow Subsidiary & Associate	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited) (ceased to be an associate from July 27, 2022)
Other Related Parties (Due to common Promoter)	IIFL Facilities Services Limited
	IIFL Securities Limited
	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)
	Livlong Protection & Wellness Solutions Limited (Formerly IIFL Corporate Services Limited)
	5Paisa Capital Limited
	India Infoline Foundation
	360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited)
	360 One WAM Limited (Formerly IIFL Wealth Management Limited)
Key Management Personnel and other Directors	Mr. Nirmal Jain - Non-Executive Director
	Mr. R Venkataraman - Non-Executive Director
	Mr. S. Sridhar - Chairman and Independent Director
	Mr. AK Purwar - Independent Director
	Mr. Kranti Sinha - Independent Director
	Ms. Mohua Mukherjee - Independent Director
	Ms. Suvalaxmi Chakraborty (ceased w.e.f. June 15, 2021)
	Mr. Venkataramanan Anantharaman - Independent Director (w.e.f. February 21, 2023)
	Mr. Monu Ratra - Executive Director & CEO
	Mr. Kabir Mathur - Nominee Director (w.e.f. August 22, 2022)
	Mr. Gaurav Seth - Chief Financial Officer (w.e.f. October 17, 2023)
	Mr. Amit Gupta - Chief Financial Officer (upto October 17, 2023)
	Mr. Ajay Jaiswal - Company Secretary
	Ms. Rashmi Priya-Director of IIHFL Sales Limited

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

41.A Significant transactions with related parties:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Interest Income						
IIFL Finance Limited	21.11	-	-	-	-	21.11
	(1.07)	(-)	(-)	(-)	(-)	(1.07)
IIFL Securities Limited	-	-	-	8.81	-	8.81
	(-)	(-)	(-)	(0.15)	(-)	(0.15)
5paisa Capital Limited	-	-	-	6.75	-	6.75
	(-)	(-)	(-)	(-)	(-)	-
IIFL Samasta Finance Limited	-	-	5.51	-	-	5.51
	(-)	(-)	(9.94)	(-)	(-)	(9.94)
Interest Expense						
IIFL Securities Limited	-	-	-	0.33	-	0.33
	(-)	(-)	(-)	(0.66)	(-)	(0.66)
360 One WAM Limited	-	-	-	0.11	-	0.11
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Management Services Limited	-	-	-	0.16	-	0.16
	(-)	(-)	(-)	(0.33)	(-)	(0.33)
Corporate Social Responsibility Expense (CSR)						
India Infoline Foundation	-	-	-	16.46	-	16.46
	(-)	(-)	(-)	(8.52)	(-)	(8.52)
CSR Unspent amount refund received						
India Infoline Foundation	-	-	-	3.54	-	3.54
	(-)	(-)	(-)	(-)	(-)	(-)

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(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Arranger fees Expense/ Loan Sourcing Fee						
IIFL Securities Limited	-	-	-	0.84	-	0.84
	(-)	(-)	(-)	(0.40)	(-)	(0.40)
Commission/ Brokerage Expense						
IIFL Securities Limited	-	-	-	0.07	-	0.07
	(-)	(-)	(-)	(-)	(-)	(-)
Brokerage Expense Reversal						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.98)	(-)	(0.98)
Rent Expense						
IIFL Facilities Services Limited	-	-	-	3.53	-	3.53
	(-)	(-)	(-)	(1.70)	(-)	(1.70)
Remuneration and Compensation to KMP						
Mr. Monu Ratra - Remunerations	-	-	-	-	6.39	6.39
	(-)	(-)	(-)	(-)	(4.64)	(4.64)
Mr. Monu Ratra - Short Term Benefit (perquisites)	-	-	-	-	11.11	11.11
	(-)	(-)	(-)	(-)	(0.00)	(0.00)
Mr. Monu Ratra - Post Employment Benefit	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Mr. Gaurav Seth - Remunerations	-	-	-	-	1.39	1.39
	(-)	(-)	(-)	(-)	(-)	-
Mr. Gaurav Seth - Short Term Benefit (perquisites)	-	-	-	-	1.11	1.11
	(-)	(-)	(-)	(-)	(-)	-
Mr. Gaurav Seth - Post Employment Benefit	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	-
Mr. Amit Gupta - Remunerations	-	-	-	-	0.47	0.47
	(-)	(-)	(-)	(-)	(0.79)	(0.79)
Mr. Amit Gupta - Short Term Benefit (perquisites)	-	-	-	-	0.05	0.05
	(-)	(-)	(-)	(-)	(0.07)	(0.07)
Mr. Amit Gupta - Post Employment Benefit	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.00)	(0.00)
Mr. Ajay Jaiswal - Remunerations	-	-	-	-	1.01	1.01
	(-)	(-)	(-)	(-)	(0.88)	(0.88)
Mr. Ajay Jaiswal - Short Term Benefit (perquisites)	-	-	-	-	0.57	0.57
	(-)	(-)	(-)	(-)	(0.08)	(0.08)
Mr. Ajay Jaiswal - Post Employment Benefit	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Sitting Fees paid to Directors						
Mr. Kranti Sinha	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.09)	(0.09)
Mr. S. Sridhar	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	(0.11)	(0.11)
Mr. AK Purwar	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Mathew Joseph	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	-
Mr. Venkataramanan Anantharaman	-	-	-	-	0.05	0.05
	(-)	(-)	(-)	(-)	(0.00)	(0.00)
Ms. Mohua Mukherjee	-	-	-	-	0.06	0.06
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Commission to Directors						
Mr. Kranti Sinha	-	-	-	-	0.13	0.13
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. S. Sridhar	-	-	-	-	0.24	0.24
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Mr. Mathew Joseph	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	-
Mr. Venkataraman	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(-)	-
Ms. Mohua Mukherjee	-	-	-	-	0.20	0.20
	(-)	(-)	(-)	(-)	(0.10)	(0.10)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Interim Dividend Payment						
IIFL Finance Limited	115.32	-	-	-	-	115.32
	(83.87)	(-)	(-)	(-)	(-)	(83.87)
ICD/Loan Given						
IIFL Finance Limited	1,450.00	-	-	-	-	1,450.00
	(300.00)	(-)	(-)	(-)	(-)	(300.00)
IIFL Securities Limited	-	-	-	1,025.00	-	1,025.00
	(-)	(-)	(-)	(370.00)	(-)	(370.00)
5paisa Capital Limited	-	-	-	430.00	-	430.00
	(-)	(-)	(-)	(-)	(-)	-
IIFL Samasta Finance Limited	-	-	400.00	-	-	400.00
	(-)	(-)	(775.00)	(-)	(-)	(775.00)
ICD/Loan received back						
IIFL Finance Limited	1,450.00	-	-	-	-	1,450.00
	(300.00)	(-)	(-)	(-)	(-)	(300.00)
IIFL Securities Limited	-	-	-	1,025.00	-	1,025.00
	(-)	(-)	(-)	(370.00)	(-)	(370.00)
5paisa Capital Limited	-	-	-	430.00	-	430.00
	(-)	(-)	(-)	(-)	(-)	-
IIFL Samasta Finance Limited	-	-	400.00	-	-	400.00
	(-)	(-)	(775.00)	(-)	(-)	(775.00)
Purchase of Investment						
IIFL Finance Limited	63.84	-	-	-	-	63.84
	(-)	(-)	(-)	(-)	(-)	-
Sale of Investment						
IIFL Finance Limited	2.38	-	-	-	-	2.38
	(259.08)	(-)	(-)	(-)	(-)	(259.08)
Security Deposit Paid						
IIFL Facilities Services Limited	-	-	-	0.98	-	0.98
	(-)	(-)	(-)	(0.51)	(-)	(0.51)
Net Interest Accrued						
IIFL Securities Limited (Formerly India Infoline Limited)	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
360 One Prime Limited	-	-	-	0.07	-	0.07
	(-)	(-)	(-)	(-)	(-)	(-)
Commission on Corporate Guarantee						
IIFL Finance Limited	4.93	-	-	-	-	4.93
	(-)	(-)	(-)	(-)	(-)	-
Allocation of expenses paid						
IIFL Securities Limited	-	-	-	3.19	-	3.19
	(-)	(-)	(-)	(3.23)	(-)	(3.23)
IIFL Management Services Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.08)	(-)	(0.08)
IIFL Finance Limited	5.34	-	-	-	-	5.34
	(7.81)	(-)	(-)	(-)	(-)	(7.81)
5Paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
IIFL Facilities Services Limited	-	-	-	1.16	-	1.16
	(-)	(-)	(-)	(1.06)	(-)	(1.06)
Reimbursement paid						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(-)	(0.04)
IIFL Finance Limited	0.14	-	-	-	-	0.14
	(0.07)	-	-	-	(0.00)	(0.07)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Livlong Protection & Wellness Solutions Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
ESOP						
IIFL Securities Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	1.33	-	-	-	-	1.33
	(0.49)	(-)	(-)	(-)	(-)	(0.49)
Allocation of expenses received						
IIFL Management Services Limited	-	-	-	0.03	-	0.03
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Securities Limited	-	-	-	0.49	-	0.49
	(-)	(-)	(-)	(0.66)	(-)	(0.66)
5Paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.15	-	0.15
	(-)	(-)	(-)	(0.10)	(-)	(0.10)
IIFL Finance Limited	1.17	-	-	-	-	1.17
	(1.69)	(-)	(-)	(-)	(-)	(1.69)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	-
Reimbursement received						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
IIFL Finance Limited	0.06	-	-	-	-	0.06
	(0.11)	(-)	(-)	(-)	(-)	(0.11)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
5Paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
India Infoline Foundation	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Sale of Fixed Assest						
5paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	0.55	-	-	-	-	0.55
	(0.65)	(-)	(-)	(-)	(-)	(0.65)
IIFL Securities Limited	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.34)	(-)	(0.34)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
Livlong Protection & Wellness Solutions Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
Payment of Assignment Transactions						
IIFL Finance Limited	45.04	-	-	-	-	45.04
	(63.35)	(-)	(-)	(-)	(-)	(63.35)
Purchase of Fixed Assest						
5paisa Capital Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.05)	(-)	(0.05)
IIFL Finance Limited	0.06	-	-	-	-	0.06
	(0.32)	(-)	(-)	(-)	(-)	(0.32)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	-
IIFL Securities Limited	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.17)	(-)	(0.17)
Livlong Insurance Brokers Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)

Note: The above remuneration of KMPs comprises of salary, allowances, performance bonus, etc. but excludes non-monetary value of other perquisites computed on the basis of the Income Tax Act, 1961 and Rules thereon.

Figures in brackets () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands

41 B. Closing balance:

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company						
IIFL Facilities Services Limited	-	-	-	0.12	-	0.12
	(-)	(-)	(-)	(-)	(-)	-
IIFL Securities Limited	-	-	-	0.31	-	0.31
	(-)	(-)	(-)	(-)	(-)	-
IIFL Finance Limited	5.88	-	-	-	-	5.88
	(-)	(-)	(-)	(-)	(-)	-
5paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	-
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
360 One Distribution Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	-
Receivable from Group/Holding Company						
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Livlong Protection & Wellness Solutions Limited	-	-	-	0.04	-	0.04
	(-)	(-)	(-)	(0.14)	(-)	(0.14)
5 Paisa Capital Ltd	-	-	-	-	-	-
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.04)	(-)	(0.04)
IIFL Finance Limited	-	-	-	-	-	-
	(0.07)	(-)	(-)	(-)	(-)	(0.07)
India Infoline Foundation	-	-	-	-	-	-
	(-)	(-)	(-)	(3.06)	(-)	(3.06)
Debt Securities Outstanding						
360 One WAM Limited	-	-	-	2.09	-	2.09
	(-)	(-)	(-)	(17.75)	(-)	(17.75)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(8.00)	(-)	(8.00)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(4.00)	(-)	(4.00)

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

(₹ in Crores)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries & Associate	Other related parties	Key Managerial Personnel	Total
Provision for Post Employment Benefits						
Mr. Monu Ratra	-	-	-	-	0.30	0.30
	(-)	(-)	(-)	(-)	(0.27)	(0.27)
Mr. Gaurav Seth	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	-
Mr. Amit Gupta	-	-	-	-	0.16	0.16
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Mr. Ajay Jaiswal	-	-	-	-	0.16	0.16
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Commission Payable						
Mr. Kranti Sinha	-	-	-	-	0.03	0.03
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. S. Sridhar	-	-	-	-	0.12	0.12
	(-)	(-)	(-)	(-)	(0.12)	(0.12)
Ms. Mohua Mukherjee	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(0.10)	(0.10)
Mr. Venkataramanan	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(-)	-
Mr. Mathew Joseph	-	-	-	-	0.04	0.04
	(-)	(-)	(-)	(-)	(-)	-
Corporate Guarantee						
IIFL Finance Limited	410.32	-	-	-	-	410.32
	(584.94)	(-)	(-)	(-)	(-)	(584.94)
Security Deposit receivable						
IIFL Facilities Services Limited	1.49	-	-	-	-	1.49
	(0.51)	(-)	(-)	(-)	(-)	(0.51)

Please refer ESOP note for ESOP outstanding to KMPs

Figures in brackets () represents previous year's figures.

0.00 denotes amount less than ₹ Fifty thousands

41 C. Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in Crores)

Name of Related Party	Outstanding as on 31-Mar-24	Maximum Outstanding during the year	Outstanding as on 31-Mar-24	Maximum Outstanding during the year
5paisa Capital Limited	-	100.00	-	-
IIFL Finance Limited	-	700.00	-	300.00
IIFL Securities Limited	-	250.00	-	200.00
IIFL Samasta Finance Limited	-	250.00	-	350.00

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 42. Current and non Current classification - Statement of Assets and liabilities as at March 31, 2024

(₹ in Crores)

Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
ASSETS				
1	**Financial Assets**			
(a)	Cash and cash equivalents	781.71	-	781.71
(b)	Bank balance other than (a) above	218.23	81.00	299.23
(c)	Derivative financial instruments	-	-	-
(c)	Receivables			
	(I) Trade receivables	48.18	-	48.18
(d)	Loans	4,679.81	18,434.28	23,114.10
(e)	Investments	105.65	476.43	582.08
(f)	Other financial assets	21.64	466.87	488.50
2	**Non-financial Assets**			
(a)	Current tax assets (net)	-	20.56	20.56
(b)	Deferred tax assets (net)	-	35.95	35.95
(c)	Investment Property	-	2.16	2.16
(d)	Property, plant and equipment	-	7.61	7.61
(e)	Right of use assets	-	57.52	57.52
(f)	Other intangible assets	-	0.56	0.56
(g)	Intangible asset under development	-	0.34	0.34
(h)	Other non-financial assets	2.61	5.61	8.22
Total Assets (A)		5,857.83	19588.89	25,446.72
LIABILITIES AND EQUITY				
1	**Financial Liabilities**			
(a)	Derivative financial instruments	-	2.61	2.61
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.12	-	3.12
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	67.97	-	67.97
(c)	Lease liability	22.49	40.77	63.26
(d)	Debt securities	771.17	2,841.87	3,613.04
(e)	Borrowings (other than debt securities)	2509.76	10523.42	13,033.18
(f)	Subordinated liabilities	25.52	1011.86	1,037.38
(g)	Other financial liabilities	1,052.18	-	1,052.18
2	**Non-financial Liabilities**			
(a)	Current tax liabilities (net)	4.85	-	4.85
(b)	Provisions	21.78	9.26	31.04
(c)	Other non-financial liabilities	100.04	-	100.04
3	Total liabilities (B)	4578.88	14429.79	19,008.67
4	Net (A-B)	1278.95	5159.10	6,438.05

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 42. Current and non Current classification - Statement of Assets and liabilities as at March 31, 2023

(₹ in Crores)

Sr. no.	Particulars	Within 12 Months	After 12 Months	Total
ASSETS				
1	**Financial Assets**			
(a)	Cash and cash equivalents	1,635.21	-	1,635.21
(b)	Bank balance other than (a) above	168.79	190.50	359.29
(c)	Derivative financial instruments	41.99	-	41.99
(c)	Receivables			
	(I) Trade receivables	47.50	-	47.50
(d)	Loans	3,515.70	14,205.46	17,721.16
(e)	Investments	1,419.87	7.32	1,427.19
(f)	Other financial assets	5.95	448.20	454.15
2	**Non-financial Assets**			
(a)	Current tax assets (net)	-	11.66	11.66
(b)	Deferred tax assets (net)	-	45.84	45.84
(c)	Investment Property	-	2.29	2.29
(d)	Property, plant and equipment	-	7.91	7.91
(e)	Right of use assets	-	50.22	50.22
(f)	Other intangible assets	-	0.44	0.44
(g)	Other non-financial assets	2.09	4.11	6.20
Total Assets (A)		**6837.10**	**14,973.95**	**21,811.05**
LIABILITIES AND EQUITY				
1	**Financial Liabilities**			
(a)	Derivative financial instruments	-	-	-
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	3.01	-	3.01
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	48.37	-	48.37
(c)	Lease liability	15.11	36.89	52.00
(d)	Debt securities	42.85	2,211.37	2,254.22
(e)	Borrowings (other than debt securities)	2,934.45	8,686.22	11,620.67
(f)	Subordinated liabilities	93.31	985.00	1,078.31
(g)	Other financial liabilities	897.91	5.21	903.12
2	**Non-financial Liabilities**			
(a)	Current tax liabilities (net)	16.01	-	16.01
(b)	Provisions	13.46	6.76	20.22
(c)	Other non-financial liabilities	261.00	-	261.00
3	Total liabilities (B)	**4,325.48**	**11,931.45**	**16,256.92**
4	Net (A-B)	**2511.62**	**3042.49**	**5,554.11**

Notes forming part of Consolidated Financial Statements

as at and for the year ended March 31, 2024 (Contd..)

Note 43. Regroupings or reclassification

Figures for the previous year have been re-grouped / reclassified whereever necessary, to confirm to current year's classification. The details for regrouping are as follows:

Regrouped to	Regrouped from	Amount (in crores)	Reasons
Loans	Assets Held for sale	5.47	Better presentation
Interest Income	Net Gain On Derecognition Of Financial Instruments Under Amortized Cost Category	12.13	Better presentation
Interest Income	Net Gain On Derecognition Of Financial Instruments Under FVTOCI	11.48	Better presentation
Impairment on financial instruments	Net Gain On Derecognition Of Financial Instruments Under Amortized Cost Category	28.68	Better presentation
Other expenses - Bank Charges	Other expenses - Office expenses	0.17	Better presentation

Note 44. Other Disclosures:

A. Additional information pursuant to para 2 of schedule III on general instructions for the preparations of Consolidated Financial Statements:

(₹ in Crores)

Name of entity in the Group	Net Assets i.e Total Assets less Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated total comprehensive income	Amount (₹ in Crores)
	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024	March 31,2024
Parent Entity IIFL Home Finance Limited	100.15%	6,447.40	101.01%	1,026.84	100.17%	(7.50)	101.02%	1,019.34
Indian Subsidiary IIHFL Sales Limited	0.21%	13.74	-0.04%	(0.38)	-0.30%	0.02	-0.04%	(0.36)
Eliminations	-0.36%	(23.09)	-0.97%	(9.91)	0.13%	(0.01)	-0.98%	(9.92)
Total	**100.00%**	**6,438.05**	**100.00%**	**1,016.55**	**100.00%**	**(7.49)**	**100.00%**	**1,009.06**

(₹ in Crores)

Name of entity in the Group	Net Assets i.e Total Assets less Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crores)	As % of consolidated profit or loss	Amount (₹ in Crores)	As % of consolidated other comprehensive income	Amount (₹ in Crores)	As % of consolidated total comprehensive income	Amount (₹ in Crores)
	March 31, 2023	March 31, 2023	March 31, 2023	March 31,2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Parent Entity IIFL Home Finance Limited	99.98%	5,553.20	102.89%	790.32	98.83%	11.67	102.83%	801.99
Indian Subsidiary IIHFL Sales Limited	0.25%	14.10	1.47%	11.26	0.00%	-	1.44%	11.26
Indian Associates (Investment as per the equity method) IIFL Samasta Finance Limited (formerly Samasta Microfinance Limited)	0.00%	-	0.49%	3.76	1.20%	0.14	0.50%	3.91
Eliminations	-0.24%	(13.19)	-4.85%	(37.22)	-0.03%	(0.00)	-4.77%	(37.23)
Total	**100.00%**	**5,554.11**	**100.00%**	**768.12**	**100.00%**	**11.81**	**100.00%**	**779.93**

Notes forming part of Consolidated Financial Statements
as at and for the year ended March 31, 2024 (Contd..)

B. The company has used 2 accounting software in which the audit trail (edit log) feature is enabled and operated throughout the year. Further, the company has not noted any instances of changes in the audit trail feature during the year.

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

As per our reports attached of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No: 094533

Place: Mumbai
Date: May 06, 2024

For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm registration number: 121750W/W100010

Ramesh Gupta
Partner
Membership No: 102306

Place: Mumbai
Date: May 06, 2024

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai
Date: May 06, 2024

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Notes forming part of Consolidated Financial Statements as at and for the year ended March 31, 2024 (Contd..)

Form AOC-I

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

Statement containing salient features of the financial statement of subsidiaries as on March 31, 2024

Part "A": Subsidiaries

(₹ in Crores)

Sr. no.	Particulars	IIHFL Sales Limited
1	Share capital	0.05
2	Reserves & surplus/Other Equity	13.69
3	Total assets	40.50
4	Total Liabilities	26.76
5	Investments	-
6	Total Turnover	49.69
7	Profit before taxation	(0.62)
8	Provision for taxation	(0.24)
9	Profit after taxation	(0.38)
10	Proposed Dividend	-
11	% of shareholding	100%

Reporting period for the subsidiary is same as holding company

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Non-Executive Director
(DIN: 00011919
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Mumbai

Ajay Jaiswal
Company Secretary
(F6327)
Place: Mumbai

Gaurav Seth
Chief Financial Officer
Place: Mumbai

Date: May 06, 2024

Corporate Information

Board of Directors:

Srinivasan Sridhar: *Chairman & Independent Director*
Arun Kumar Purwar: *Independent Director*
Anantharaman Venkataraman: *Independent Director*
Kabir Mathur: *Nominee Director*
Mohua Mukherjee: *Independent Director*
Monu Ratra: *Executive Director & CEO*
Mathew Joseph: *Non- Executive Director*
Nirmal Jain: *Non-Executive Director*
Rajamani Venkataraman: *Non-Executive Director*

Chief Financial Officer:

Gaurav Seth

Company Secretary:

Ajay Jaiswal

Statutory Auditors:

M/s. Suresh Surana & Associates LLP, Chartered Accountants
S.R. Baltiboi & Associates LLP

Secretarial Auditors:

M/s. RMG & Associates, Company Secretaries

Committees:

1. Audit Committee

Kabir Mathur
Mathew Joseph
Srinivasan Sridhar
R Venkataraman
Venkataramanan Anantharaman

2. Nomination & Remuneration Committee

Kabir Mathur
Mohua Mukherjee
Nirmal Bhanwarlal Jain
Srinivasan Sridhar
Venkataramanan Anantharaman

3. Stakeholders Relationship Committee

Mohua Mukherjee
Monu Ratra
R Venkataraman

4. Risk Management Committee

Mathew Joseph
Monu Ratra
S. Sridhar
Mohua Mukherjee
R Venkataraman
Kabir Mathur
Abhishikta Munjal
Govind Modani
Gaurav Seth

5. Assets and Liabilities Management Committee

Abhishikta Munjal
Govind Modani
Gaurav Seth
Kabir Mathur
Monu Ratra
Mohit Kumar
R Venkataraman
S. Sridhar

6. Corporate Social Responsibility Committee

Mohua Mukherjee
Monu Ratra
R Venkataraman

7. IT Strategy Committee

Abhishikta Munjal
Monu Ratra
Nandan Gandre
Ramakrishnan Subramanian
Rachhit Gehani
Srinivasan Sridhar

8. ESG Committee

Abhishikta Munjal
Ajay Jaiswal
Mohua Mukherjee
Monu Ratra
Madhvi Gupta
Rachhit Gehani
Rashmi Priya
S. Sridhar

9. Wilful Defaulter-Identification Committee

Monu Ratra
Ramakrishnan Subramanian
R. Venkataraman

10. Wilful Defaulter-Review Committee

Monu Ratra
Ramakrishnan Subramanian
R Venkataraman

11. Finance Committee

Monu Ratra
R Venkataraman

Core Management Team:

Abhishikta Chadda Munjal: Chief Risk Officer
Ajay Jaiswal: Chief Operating Officer
Amit Sengar: Zonal Sales Head- West & East
Gaurav Seth: Chief Finance Officer
Iqbal Ahmad Farooqui: National Collection Manager
Kranth Namala: Zonal Sales Head- South
Lokesh Goyal*: Head – Collateral Risk
Madhvi Gupta: Head – Marketing and Communications, ESG and CSR
Manoj Kumar: Head – Legal
Mohit Kumar: National Credit Manager
Praveen Khullar: Zonal Sales Head- North
Rachit Gehani*: Chief Technology Officer
Rashmi Priya: Head – Human Resources
Richa Bhardwaj: Chief Compliance officer

Registrar and Transfer Agent:

Link Intime India Private Limited
oC 101, 247 Park, L.B.S. Vikhroli (West), Mumbai – 400083, Maharashtra, India

Registered Office:

IIFL House, Sun Infotech Park, Road no. 16V, Plot no. B-23, MIDC Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India

Corporate Office:

IIFL Tower, 98, Udyog Vihar Phase – IV, Gurgaon - 122015

List of Bankers/Financial Institutions:

Asian Development Bank
Bandhan Bank
Bank Of Baroda
Bank Of India
Bank Of Maharashtra
Canara Bank
Central Bank Of India
DBS Bank Limited
DCB Bank Limited
U.S. International Development Finance Corporation
HDFC Bank Limited
ICICI Bank Limited
ICICI Prudential Asset Management Company
ICICI Prudential Life Insurance
ICICI Prudential Mutual Fund
IDBI Bank
Indian Bank
Indian Overseas Bank
International Finance Corporation
Karnataka Bank Limited
Kotak Mahindra Bank
LIC Housing Finance Limited
LIC of India
National Housing Bank
Punjab & Sind Bank
Punjab National Bank
RBL Bank Limited
Shinhan Bank Co. Limited
South Indian Bank
Standard Chartered Bank
State Bank Of India
Tata Mutual Fund
Union Bank of India

*This information is as on the date of printing the report

IIFL HOME LOAN

IIFL Home Finance Limited

CIN No. U65993MH2006PLC166475

Registered Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400604

Corporate Office: Plot No.98, Udyog Vihar, Phase - IV, Gurgaon – 122015

Tel: 0124 478 0900

Web: iiflhomeloans.com

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